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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JULY 6, 1912

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Wisconsin Plans

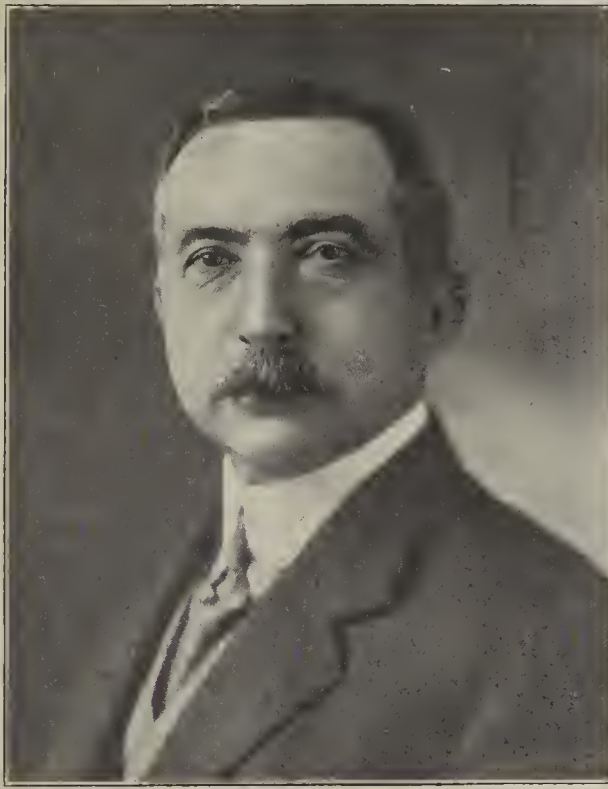
Secretary George D. Bartlett will send out the programs for the Wisconsin convention early next week. The dates are July 24th and 25th at Milwaukee. The program will be largely agricultural and educational in its character and speeches will be limited to thirty minutes. There will be no "address of welcome" and no "response," partly through a desire to be strictly up-to-date, and partly for the reason that Wisconsin bankers have been welcomed to Milwaukee on so many occasions that hereafter when the convention meets in the Cream City the welcome will be taken for granted. A further forward-step has been taken by the Wisconsin secretary in that the reports of the secretary and of the treasurer will be printed and placed in the seats and not read in the convention, neither will Mr. Bartlett make an extended address of any kind.

On the evening prior to the convention there will be an informal social gathering of the "veterans" of the Wisconsin association. The list will include all bankers or ex-bankers who attended any of the first four conventions held by the association, and all of those who have held the office of president at any time. There will be many other social features included in the list of entertainments furnished by the clearing house banks of Milwaukee. The program shows ten addresses, six of which will be made by home talent. One of the interesting talks of the occasion will be by Prof. John Munroe of Cokato, Minn., on agricultural high schools. Prof. Munroe was one of the revelations of the Chapman conference last year in Minneapolis. He is one of the most interesting of the speakers developed by the new movement toward agricultural improvement by agricultural education. Another outside speaker will be William J. Burns of New York, who will talk on protection of banks against criminals. This always is an interesting number to bankers, and Mr. Burns has a most attractive personality in addition to being a fine public speaker. Henry Israel, editor of "Rural Manhood," New York, will speak on keeping a boy on the farm, and George L. McIntosh of Cleveland will talk on one-cent-letter postage. An interesting home number will cover the subject of insuring home deposits, and will be delivered by H. A. Moehlenpah of Clinton, Wis. L. A. Baker of New Richmond will report for the committee on agriculture, and Prof. K. L. Hatch of Madison will speak on the laws governing agricultural education in Wisconsin high schools. W. A. Hotchkiss and F. Craneheld, both of Madison, will speak on better roads and better fruit culture respectively. John T. Joyce is president of the association and will deliver the annual address to the members. Secretary Bartlett, from advance information, predicts a very large attendance at this year's convention.

OFF TO THE WHITE MOUNTAINS

F. A. Crandall, vice-president of the National City Bank of Chicago, left the city this week for a vacation in Vermont. He expects to be away about a month.

Prominent in Association Work



J. F. SARTORI
LOS ANGELES, CAL.



A. D. BENNETT
PORT HURON, MICH.

Mr. Sartori, president of the Security Savings Bank of Los Angeles, is chairman of the executive committee, Savings Bank Section, of the American Bankers Association.

Mr. Bennett, president of the Commercial Bank, Port Huron, Mich., is vice-president of the A. B. A. for Michigan.

CHICAGO BANKS SHIP OUT LARGE AMOUNT OF CASH

During June Chicago banks shipped to various points in the country \$15,579,840; \$7,821,185 were received from various sources, making an excess of \$7,758,655. The total shipped during the past six months is \$77,441,955, which is \$23,911,070 more than was received.

James M. Hurst

James M. Hurst, assistant cashier of the National Bank of the Republic, has returned from Belle Fourche, S. D., where he has been attending the convention of the South Dakota bankers held at that place. He reports the sessions as very well attended. No matters of unusual importance were taken up. After the convention a number of the delegates and visitors visited the government fisheries at Spearfish Falls; others visited Hot Springs, Leeds and other places. So far as the eastern half of the state is concerned, the crop outlook is very good. In the western half, however, it is not quite so favorable. During the month of June there was less rainfall in the state than at any time previous, there being but 55-100 of an inch. The excessive heat has affected the smaller grains to a considerable extent. Other Chicago bankers who at-

tended the convention are James G. Wakefield, assistant cashier of the Corn Exchange National; W. D. Dickey, assistant cashier of the National City; R. F. Newhall, assistant cashier of the First National, and George Jackson, chief clerk of the Continental and Commercial National.

ERNEST A. HAMILL ON BUSINESS AND FINANCIAL SITUATION

Ernest A. Hamill, president of the Corn Exchange National, in commenting on the business and financial situation, says that money is a little firmer than it has been recently. Thirty days ago the rate for commercial paper was from 3½ to 4 per cent; now some paper can be had at 4 and 4½ per cent, although there are very few sales at that figure. He believes that there is a very good prospect for a better demand, however. Crop conditions are very encouraging and money ought to be well employed during the fall months at favorable rates. The general financial condition is good. A few merchants in some of the districts are complaining of slow collections, but the general volume of business is quite large. All of the steel and iron industries are quite busy. So far as business is concerned, less attention is being paid this year to the political situation than ever before.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

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TRUST, SAVINGS AND BOND DEPARTMENTS

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NEW YORK
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United States
Depository

Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30

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Mainly About Banks and Bankers

GROUP 2, Illinois, indorsed John D. Phillips (now vice-president) for president of the Illinois Bankers Association. Group 1 indorsed George Woodruff for chairman of the council and Group 4 has indorsed W. T. Fenton for membership on the A. B. A. council. These are the three strongest groups in the state while the indorsees are among the best known bankers in the state.

SOME have in times past classed Phillips as a "reactionary" (see Chicago and Baltimore convention proceedings for interpretation), but those who ought to know, say he is a progressive.

THEN we've had several requests for the private address of Ralph C. Wilson, a "receptive" candidate for secretary of the Illinois association. Sure sign that something is doing.

MR. WILSON is at 804 Association Building, 119 So. La Salle Street. He and another young man are in the bond and investment business. Neither Mr. Wilson nor Mr. Joyner has started a campaign as yet, and there is talk of a "dark horse" if developments do not come soon. We understand the bars are down and the pasture good.

"F. O. WATTS, care Third National, St. Louis," from now on will reach him this week and after.

LAATEST thing in the agricultural development line is to use the vacuum cleaner to remove fleas from the house-dog. Wish they could fix up one to jerk out most of the capitals and nearly all the commas from the convention manuscript.

KANSAS has tired of her constitutional provision admitting reserve center banks out of the state to associate membership in the state organization. That provision was eliminated at the Topeka meeting and for it was substituted the provision admitting only Kansas City and St. Joseph banks to full membership.

THE Kansas organization never intended this privilege to be other than a complimentary one to outside banks, yet there always has been the suspicion of a feeling on the part of the reserve center banks that something was expected of them in the way of a contributing fee, which was not pleasant.

HEREAFTER out-of-state bankers will be quite as welcome at the meetings of the Kansas Bankers Association as they have been before, but they will not be required nor expected to pay anything for the privilege. They will come purely as the guests of the association.

PENNSYLVANIA is said narrowly to have escaped endorsing a privately-owner paper in that state as its official organ. But for the prompt action of a shrewd member of the association the thing would have gone through.

OTHER banking and financial papers within the state, and many of those outside of the state, would have lost all interest in the

NEW YORK CHICAGO PHILADELPHIA BOSTON

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H. W. LADEWIG, Chicago Manager

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Address S, care of Chicago Banker

SITUATION WANTED

"Young banker with seven years experience desires position in city or country bank. Can make investment if required."

MURRAY P. STROUD

Springport

Michigan

affairs of the Pennsylvania Bankers Association if a rival publication could have gone before the public as its official organ.

PAPERS which seek such recognition and such endorsement rarely are leaders in their own fields, and often have very little influence. Many state organizations maintain their own house organs, but in no case up to date does any private publication boast of being the official organ of any state association.

"GREATER SACRAMENTO" is the title of a very handsome booklet sent out to bankers by Louis Sloss & Company, of San Francisco. It is handsomely illustrated, very carefully written, and much in advance of the general run of such publications. It is a booster volume for the state capital.

NEW YORK BANKERS ASSOCIATION decided at Buffalo not to encourage the efforts of the Pujo Commission. The bankers

of Detroit, when canvassed on the subject, showed about an equal division between those who favor the answering of the proposed questions and those who are opposed.

IRVING-MERCANTILE NATIONAL of New York, under the consolidation which has been voted upon by the stockholders, will have a capital of four millions and a surplus of three millions.

THERE still is a matter to be settled by the stockholders, and that is the final name of the enlarged institution. They will vote on July 18th on the proposition to change the name to the "Irving National Bank, New York." President Pierson is said to favor this change.

THE third-termers wants a third party also, and about four-thirds of the republicans would like to be rid of them both.

B. F. HARRIS had the place of honor on the Ohio program. No other speaker filled so many dates this year as he; spreading the gospel of good farming and good roads is his hobby, to which in Illinois he adds bank supervision.

SUPERINTENDENT BAXTER gave bank supervision and inspection a boost at Cedar Point in telling what advances Ohio has made in one year under her new law. He dealt the much touted loose leaf ledger a hard blow by telling how easily it can be manipulated so as to deceive the examiner—or the boss.

THE program showed that many national bankers in Ohio believe they should be permitted to loan on real estate.

ILLINOIS in times past has taken a position favoring this privilege, not as an association, but as individuals.

DAILY papers (and some political leaders) make a mistake in lauding their favorites and supporters clear to the blue, and at the same time denouncing equally good men as "robbers," "train bandits," "receivers of stolen goods," etc., simply because they are of the opposition.

PUBLIC men are neither so good as to be superhuman, nor so bad as to be classed as criminals. Lack of influence quickly follows a paper, however powerful, when so prostituted either for political or financial gain.

THE Record-Herald gained greatly in public esteem by its course in handling the two big conventions. It gave fair, unprejudiced reports, and for the past couple of years has been doing the same in its financial columns.

THE publicity man of one of our largest banks has polled 2,000 banks surrounding Chicago and puts the R.-H. easily first, if not twice as strong as its nearest rival among the dailies.

OUR word for it, you will enjoy reading the Cedar Point address of W. S. Hayden on investment banking. Both good and original, (Continued on page 31)

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tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

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B. C. SAMMONS, Vice-President

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THE LIVE STOCK Exchange National BANK OF CHICAGO

President W. P. Sharer to the Ohio Bankers

Our association is accomplishing a great work, and while I shall not go into details concerning the many matters which have come before us during the past year, there is much more, however, that can and will be accomplished if each and every member will put his shoulder to the wheel and make himself an important factor in the work of this organization. Now and then some well meaning, but ill-informed person makes the charge that the association is ruled by a ring; because the same men appear prominently from time to time in its work. If there is anyone within the hearing of my voice who harbors such an erroneous idea, I can assure him that nothing is farther from the truth, and I trust he will immediately dispel the thought from his mind. This association needs more workers, and any member who is willing to sacrifice his time and talent for its good can be given all the work he desires, and those who have helped to carry the load these many years will gladly shift the burden. Ambitious and able men both young and old are needed in this work and there is room for all. Another fact which I wish to impress upon you gentlemen of this convention is, that it takes money to administer the affairs of your organization, and that our present dues do not afford sufficient income to carry on the work as it should be done.

Your executive council will recommend a slight increase in your annual dues, and I sincerely hope their recommendation will meet with your hearty approval and co-operation.

Our funds are expended carefully and prudently, and every expenditure made is passed upon and approved by your council of administration. Every dollar paid by you to this association in dues, comes back to you tenfold, as the association has brought about an evolution in the banking business of Ohio whose value cannot be estimated.

I do not contend, gentlemen, that our treasurer will mail you a check in this proportion each time he receives your belated dues, but I do contend that these men who have been most active in attendance upon and in the work of our conventions are among our most progressive and most prosperous bankers. It is impossible for one to come here from year to year exchanging contemporaneous ideas and listening to the instructive addresses, without being materially benefited, to say nothing of the recreation and pleasure he has had mingling with his fellow-bankers.

This association cannot solve all your problems, particularly your local ones. It cannot discipline the ambitious building and loan associations that seek to do a banking business in your town, nor can it regulate the rate of interest your competitor is willing to pay for deposits; but it can and will make a more capable, competent banker of you, and fit you to better meet these perplexing problems as they present themselves. It has been my observation that those who attend our conventions usually get from them about what they seek. If a delegate comes here for education and instruction, he usually goes away satisfied; but if he merely comes here for a high old time he cannot expect to take away with him

Says those who arise to prominence in the association are the workers, and that more are needed. High praise for A. I. B. Indorses National Monetary Commission plan and urges strict observation of banking law

much else than a headache. Endeavor to see how much you individually can give to your association, and I pledge you my word you will not be casting your bread upon the waters in vain.

A work which should receive more attention and encouragement from our association is



W. P. SHARER
Zanesville

President Ohio Bankers Association

that of the American Institute of Banking. The work which these young men are doing deserves our unqualified support, and I hope to see its influence spread to every nook and corner of Ohio. Give the young men in your employ an opportunity to improve and advance themselves—I frequently hear some bank official express regret that he has no understudy—no one to whom authority could be safely delegated in case of emergency. I fear in many, if not most of such cases, the fault lies with the official, and not with the clerk. Help these young fellows along and encourage them in everything that tends to make of them good citizens and good bankers, and should an occasion arise whereby they are suddenly called to positions of responsibility, they will discharge their duties to your entire satisfaction.

I presume you expect that I shall, or wonder how I can refrain from saying something on those subjects which of late come before almost every gathering of bankers, viz., the National Monetary Reserve Association, the

conservation of our national resources and wealth, and the high cost of living. The proposed plan for a National Monetary Reserve Association meets with my approval. I believe in conservation and regret the high cost of living; but I do not wish to discuss any of these subjects this morning. These and similar problems confront us from time to time, and it appears are not only solved, but wisely solved as well.

It is not within my province nor is it my purpose to say anything that may be in any manner construed as political in its nature, yet it must be patent to every student of current events that our future is not so promising as we should like to see it. The "bread line" is the only line of argument which will appeal to a certain class of voters, and no real prosperity can again come, in my opinion, until both labor and capital again get into a humbler mood and are ready to advance slowly, and recognize the inevitable, fundamental law of action and reaction. In plain English, this law simply means that we cannot eat our eggs and hatch them also.

While I am firm in the belief that this nation possesses sufficient brains and patriotism to successfully combat and surmount any danger or difficulty with which it may be confronted, we may pass through some trying times before these questions are permanently settled, and it behooves us as wise and prudent bankers to have our affairs well in hand and to counsel our clients and customers that economy and conservatism should be the policy of the immediate future. These thoughts bring to mind the watchful care which the modern bank official has at all times for the welfare of his customer. All honor to the minister, the doctor, and the lawyer; but I can say without fear of successful contradiction that it is the banker who in the last analysis is found more loyal to his client than is any other business or professional man.

Always on the alert to bring about that which will benefit or to ward off that which may be harmful, he guards the affairs and interests of his customer with all the care and solicitude of a mother for her child. Too often his fidelity to the welfare of his customer and the interest of his stockholder finds him in his declining years with but little of this world's goods. His life has been spent so completely for others that he has had little or no time to give to his own affairs, and when the day comes that he must lay aside his duties he has little to leave but a record of long and honorable service to his community. After all, what better heritage shall a father leave to his son than the reputation of twenty-five or forty or fifty years of an honorable banking career? Far more of a testimonial to his fidelity than any great shaft or marble that ever pointed to the heavens: far more a testimonial to his worth and work for the community than any tall edifice of steel and stone that he might have erected, and far more to his honor than the aggregation of a great fortune.

Do not infer that I have aught to say against the man who accumulates great wealth, for as a rule he is a man not only of ability, but integrity as well, who has given some of our

The Fourth National Bank Of the City of New York

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Vice-President
SAMUEL S. CAMPBELL
Vice-President
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DANIEL J. ROGERS
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Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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Sec. & Asst. Treas.

benefit to the public in return for its dollars; but the aged banker, who has given his life to the welfare of the community and has asked in return little else than the respect and gratitude of his neighbors has builded for himself a greater monument than he who has built with dollars alone.

So gentlemen, let your first thought and motto be fidelity to your duty, and your first duty is to your depositor. We are all in business for gain and your shareholders will rightfully expect and demand reasonable dividends on their capital, but if at any time in your experience a condition confronts you where some interest must be sacrificed for the preservation of another, let your decision be in favor of the protection of your depositor.

Fidelity to your trust—to those who have given their savings and capital into your keeping—should always be your first consideration. Obey both the spirit and letter of our banking laws, for each year of your experience teaches you they have been wisely made. Remember that your first duty is absolute safety and that most frightful of all modern financial tragedies, a bank failure, will never be laid at your door.

GROUP 9, OHIO

Group 9, Ohio Bankers Association, held its annual meeting at the Euclid Club, Cleveland, on Wednesday, June 26th. The meeting was called to order at 3 p. m. by Chairman Judd. The address of welcome was made by H. H. Johnson, president of the Cleveland Chamber of Commerce. Professor Mattoon M. Curtis spoke on the general condition of the country; Thomas E. Monks, assistant secretary of the Guardian Savings and Trust Company, on the classification of property for taxation, while J. A. Ward, assistant secretary of the Cleveland National Bank, had for his topic the "Numerical System." After the speeches there was a business session for the election of a new executive committee, one member being elected from each county in the group, and the election of a chairman for three years and a secretary for one year. Dinner was served at the Euclid Club at 6 p. m. At 7:30 the bankers took special cars for Luna Park, where there was a special program of motorcycle races. The group meeting was unusually successful.

J. Van Rhee and other citizens have bought the controlling interest in the Milaca State Bank, Minn., from the Hall family of Foley. W. E. Hall is president, W. J. West is vice-president and C. H. Dahlstorm cashier. Existing officers the officers will remain. The bank's capital is \$30,000.

WILLIAM THOMPSON AT IDAHO CONVENTION

One of the very interesting addresses delivered at the Coeur d'Alene meeting of the Idaho bankers was that given by William Thompson, cashier of the Lewiston National, on currency reform from the country banker's standpoint. He very cleverly reviewed the possible effects that the new legislation would have upon banking interests, and took issue with those who believe that the monetary bill would favor the larger banks in the larger towns over the small institutions in the country towns. In concluding his remarks Mr. Thompson said:

"The chief danger which now menaces the small bank which honestly and faithfully serves its constituents is the locking up of its reserves in unmarketable securities. Its chief business is the receipt of deposits payable on demand and the loaning of money usually on personal security. Its borrowers are the local merchants and farmers who are not known outside of their home community, and whose paper consequently is unmarketable except at the local bank. The quality of this paper, all things considered, is usually high. The small banker's relationship to his constituents is necessarily more of a personal nature than that of his city cousin. The business man expects his local bank to care for his loans and

the banker practically is compelled to assume this obligation. His cash resources, however, do not necessarily bear any relationship to the demands on him, and if it were not for the fact that most of his borrowers receive their advances in the way of credit balances to check against he would not be able to do much business. The National Reserve Association will provide an easy normal and always available method of adjusting cash resources to needs, and that, too, without in any way curtailing his activities. In case he be threatened with a shortage of cash he will select those notes from his pouch which mature in the near future, and turn them over to the nearest branch of the National Reserve Association for rediscount. This privilege of rediscount not only will relieve the small banker of his chief anxiety and chief danger, but will enlarge his capacity to serve his constituents, and will enable him to place at the disposal of his customers foreign capital to a degree which now is impossible. He will not have to reject a good loan because he is 'loaned up.' He can always turn it to the association, providing it is used for strictly commercial purposes. This limitation will prevent him from lending assistance to such of his customers as are interested in overexpansion and inflation, but will in no way interfere with aiding them in the prosecution of legitimate commerce. The fear has been expressed that the National Reserve Association will make it so easy for the small banker to get capital for his customers that they will be encouraged to embark in all kinds of inflation schemes. This fear is based on a misconception of the nature of the commercial paper to which it is proposed to limit the association. The term 'commercial paper' commonly is used to mean paper sold by brokers, and is looked on with disfavor by a great many of the small banks, although a good many invest heavily in it. With the reserve association the term will mean something very much different. It will be paper representing movement of goods from the producer to the consumer, the transformation of raw materials into the finished products, of lean into fat cattle, etc., forms of loans presented to the banker more frequently than any other. The emphasis which the reserve association will be forced to place on commercial paper and the fact that it will supply for the first time in this country an open market for such paper, will tend to influence in a wholesome fashion the business habits of small banks and their constituents. Few of these now observe in their practice, and perhaps many of them are unconscious of, the distinction which has just been drawn between commercial and investment loans. In consequence they contrib-

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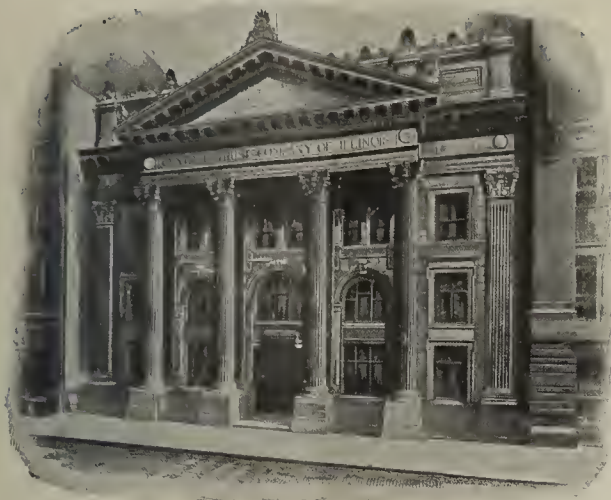
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ute, without doubt unconsciously in most cases, to the inflation of credit which characterizes every period of prosperity. In order that the officers of the local association may be in a position to pass intelligently upon the quality of the paper submitted to them for re-discount, they must carefully study the business methods of the bankers with whom they deal, and this study will not be spasmodic but continuous. Their fund of knowledge constantly will increase and become the common property for the entire banking community. Every bank will have a pecuniary interest in keeping its fellows up to a high grade of soundness and will be obliged to conduct its own affairs in the open. The knowledge of this fact and the consciousness of this scrutiny will be the most efficient check on bad banking yet devised in this country. It will do for small banks everywhere what clearing house inspection in some of our larger cities has done for banks thus associated."

AUSTIN STATE BANK "MELON"

Announcement is made that the Austin State Bank has again doubled its capital out of earnings, the stock now outstanding being \$100,000. The bank was organized in June, 1891, with a paid-in capital of \$25,000. In July, 1906, a stock dividend of 100 per cent was declared to the old shareholders, increasing the capital to \$50,000. On July 1st, of this year, the capital was again doubled. A stock dividend of 80 per cent was declared to the old shareholders and 20 per cent has been allotted to new stockholders at \$200 per share. The capital is now \$100,000 and surplus \$55,000, of which \$45,000 has been paid in cash. The remainder, \$110,000, has been derived from the earnings of the bank in addition to paying an average dividend on the original stock of more than 10 per cent. Charles S. Castle, also president of the Standard Trust, is president of the bank.

OUT-OF-TOWN VISITORS

Among the out-of-town celebrities who called on Chicago banking acquaintances during the past week are: John Burianek, Jr., cashier of the Peoples Savings Bank, Cedar Rapids; Harry E. Pollard, representing the Mechanics and Metals National, New York, and W. B. Hilliard, assistant cashier of the Houston Exchange National.

West Virginia

Official invitations are out for the West Virginia convention to be held next week, July 11th and 12th, at White Sulphur Springs. West Virginia bankers have a great weakness for this beautiful resort, and outside bankers are very fond of attending the West Virginia conventions on account of the beautiful surroundings and the excellence of the White Sulphur Springs Hotel, which always is the headquarters. A strong point is made in the invitation sent out by President Wylie Beall about the attendance of ladies. Special entertainments have been provided for them, and every banker in the state is urged to bring his better half. Secretary J. S. Hill of Charleston has organized a very strong program. Chief among the speakers is Robert E. James of Easton, Pa., regarded as one of the strong men of the American Bankers Association and a former president of the Pennsylvania organization. He also has secured the services of Fred W. Ellsworth of the Guaranty Trust Company of New York, for his famous talk on bank advertising. Other speakers are Congressman R. A. Heflin of Alabama; Charles P. Light of Washington, D. C., on good reads, and E. D. Sanderson of the University of West Virginia on an agricultural subject. At the annual banquet the toastmaster will be W. A. McCorkle, a former governor of West Virginia. An elaborate program of entertain-

ment has been provided, with a competent committee in charge. Every effort will be made to make the occasion an enjoyable one.

BANK VIEW OF BUSINESS OUTLOOK

It is becoming increasingly evident also that the presidential elections as a factor in the business outlook have been largely discounted. One reason for this is the unusual agitations which preceded the nominating conventions and the extraordinary arrangements which were made last year in the effort to avoid possible complications that might arise when the preliminary canvass was actually under way. It may be said that these arrangements have been unusually complete and that as things stand to-day, there is no likelihood that the general business of the country will be seriously hampered by the developments of the next four or five months. In addition, it must be recognized that the country has passed through a period of drastic liquidation, and that there is very little speculation to speak of in any department of industry. For months past—in fact for more than eighteen months—business has been conducted upon a hand to mouth basis, and both merchants and manufacturers have been buying sparingly in the effort to provide only for the consumptive demand. In that way the country's business is upon a very much more secure footing to-day than it has been at any time since the panic of 1907. Besides all this, there has been immense benefit resulting from the more sensible scale of living that the people have adopted. Very little is heard these days about the "automobile craze," the "land craze," or any other of the "crazes" which figured so prominently in the financial outlook two or three years ago. The banking position is excellent, and everywhere the tendency among bankers has been to see that the money which they have loaned has been well expended for the real benefit of those who secured the accommodation.—National City (Chicago) Financial Letter.

WAUKESHA BANK OPENS ITS DOORS

The State Bank of Waukesha opened its doors to the public on July 1st. The directors are John A. Rodgers, president; Robert L. Holt, vice-president; Owen L. Jones, cashier; Milo Muckleston, John A. Becker, W. A. McFarlane, George A. Jones, W. A. Foster, John L. Morris and D. W. Roberts.

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Surplus and Profits 1,460,000.00

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Where Does the Investment Banker Belong?

A few weeks ago a group of investment bankers had occasion to define their business, and they produced something about like this: "Investment banking is the buying and selling of investment securities on one's own account and the holding out to the public that one engages in such transactions as a business." Probably these men could describe their own business, but some people think they have given it the wrong name. Is investment banking properly banking at all? One prominent banker says that in the public mind banking necessarily includes the acceptance of deposits and that investment houses, not banks of deposit, are deceiving people when they style themselves bankers. He and others have an uneasy feeling that banking will be discredited if investment concerns are known as bankers because always some such concerns are unscrupulous and sometimes bring heavy losses upon innocent people. They want no one to "steal the garb of heaven to serve the devil in." On the other hand, the practice described by our opening definition, like the activities of a bank of deposit, is within that definition of banking which makes it the business of buying and selling credits for one's own account. Even if that is a proper, though broad, definition of banking, it is, of course, mere pedantry to insist upon it if the practical result is to promote fraud. In respect to this, it is pointed out that the business of investment houses has been styled banking for generations in Europe and our seaboard cities, and that this usage is well understood in the larger cities throughout the United States. It is thought absurd to collect the definition of banking from the ideas of small communities, some of which think of a bank as a railed-off country store. To thus restrict the banking would be something like

W. S. Hayden, of Cleveland, at the Ohio convention reads an illuminating paper on the subject, and pays his respects to the Big Council for turning down the proposed new section

denying the name physician to a consulting specialist because he does not drive about the country in a gig. The substantial object of the investment bankers seems to be to distinguish their business from that of brokers. It is not that they think ill of brokers, but that it promotes their market influence to have it known that they own what they offer, and that they thus take the first risk in what they recommend to their customers. Brokers, of course, do not do this, for by definition a broker is an agent and buys and sells for the account and risk of others. All honest people will agree that the name under which any set of men do business should not be misleading, or should mislead as few as possible. Probably no one would be injured if investment bankers always used the word investment in their designation, or used the word "banker" in connection with subject-matter which discloses the real nature of the business.

If we are to be particular about names and require every one to call his business by some

name which will inform every one else just what he really does, we cannot stop with the investment bankers. We think of national banks as commercial banks, but many national banks really are savings institutions. The name savings bank appears self-interpreting, but some banks of that name with other than savings departments and without segregation of funds do not look like savings banks to any one who knows them otherwise than by the rules printed in the pass book. The trust companies afford the fairest illustration of all. Probably no definition will include all the cases unless it were as broad as this—"a trust company is a corporation which has bank furniture in its office." There comes to mind a man who cannot tell to what church he belongs unless he knows in what town he is assumed to be. He finds people of his way of thinking in the Presbyterian church in one place and in the Unitarian church in another. His state of mind is constant but his religious denomination varies. In a sense, his religion is a matter of geography. With the trust company the ease is otherwise—the name is constant but the practice varies. In one place the trust company is a savings bank, in another a commercial bank, in another a place of safe deposit, in another a perpetual syndicate, in another a bond house, in another a division of the orphan's court, in another a real estate agency, in another a place where furs are kept in summer. Often some, or all, of these activities are carried on by one company. There is no present quarrel with these conditions. In general, the world finds good ways to get its work done. The presumption is that ways that are not secret are good if they are profitable. Ways that are not good are after a while found unprofitable. We merely point out that if we are to be purists in christening our financial agen-

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cies, we have a good deal to do besides showing the investment man his place and putting him in it.

Last May the executive council and certain committees of the American Bankers Association met at Briarcliff. A committee of investment bankers was present by invitation to consider with the amendments committee of the association the policy of forming an investment banking section. The amendments committee of the executive council recommended that the new section be formed, but the council itself decided otherwise, and the project has gone to the graveyard of lost causes. The Briarcliff incident is spoken of only to show the occasion for two observations, which were rather effective at the time and disclose interesting attitudes of mind toward the investment business. One banker said substantially this: "These bond houses are not banks. We do business with them, to be sure, but to us their wares are merely merchandise we need, and our relations to these houses are like those between us and the men who sell adding machines and loose leaf ledgers." When one comes to think about it, his illustration does not help his case for the very obvious reason that adding machines and loose leaf ledgers are charged to running expenses and written off when the books are closed, while bonds are bought with money the bank has to loan, are deemed assets, and are not charged off, or, at least, are not bought with that expectation. The other observation was this: "An investment banking section! We shall next be asked to form a stenographers' section and a janitors' section." This is a vivid and really penetrating comment. The services of stenographers and janitors are evidently without identity with the banking business, and if the same is true of the investment business, there certainly is no kinship or community of interest between investment and deposit banking. The truth is that these two businesses are very intimately akin, and the binding relationships between them may be inferred from certain identities of nature and personnel.

Banking is sometimes called a profession. In strictness it is not. Any one who can figure

percentage and get the confidence of a few people may practice banking after a fashion. To be a first rate banker, however, one needs a broad culture in finance, and a thorough training in banking methods. The banker who believes this has a professional attitude toward his calling, and by virtue of his fitness may rank with the best men in the callings which are professions by their nature. Bankers need no stimulus to learn all they can about improving their routine, for that so plainly makes the day's work easier and better in result. There is not quite the same stimulus, however, to seek a broader culture, for the man without it is not of necessity out of the competition. This culture in finance involves more knowledge of the primary economic functions of production and distribution; the auxiliary personal functions of the professions; the auxiliary impersonal functions of transportation and finance, and an idea of how these things make a unit. Beyond this it involves understanding of the dovetailing of the services which constitute the general financing mechanism. The aim is to reach clear vision of the relation of one's own work to that of others near at hand and

far away. This is within the purposes of the association and its groups. It all makes for better banking, for better public feeling toward banking, less losses, more profits, and closer, happier and more useful relations among financial men.

August Blum

August Blum, vice-president of the First National of Chicago, has sailed for Europe for a vacation. Mr. Blum expects to be absent from the city about two months.

ELECT OFFICERS

The Pennsylvania Bankers Association elected the following officers for the ensuing year: President, A. S. Beymer, Pittsburgh; vice-president, Montgomery Evans, Norristown; secretary, D. S. Kloss, Tyrone; treasurer, A. D. Swift, Ridgway. Mr. Beymer was advanced from the vice-presidency according to custom, and Mr. Kloss has been secretary for many years. D. C. Wills, of Pittsburgh, was elected a member of the executive council; W. P. Weston, of Kane, Pa., vice-president of the national organization from Pennsylvania, and Charles A. Kunkel, of Harrisburg, a delegate from Pennsylvania, to serve on the nominating committee.

BANK EXAMINERS CONVENTION

Third annual convention of bank examiners of the second district, comprising the states of New York and New Jersey, will be held jointly with the third district, which comprises the states of, Pennsylvania, Maryland, Virginia, and the District of Columbia, according to an announcement made by Edwin F. Rorebeck, chairman of the second district. The convention will be held at Brighton Beach hotel, on July 8th and 9th, and Frank L. Norris, chairman of the third district, will preside. It is understood that Lawrence O. Murray, comptroller of the currency, will give an address.

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ILLINOIS BANKING NEWS

Deposits of state banks of Illinois have increased \$7,938,922 in the period from April 19th to June 15th; the total deposits are \$690,547,173.

Clearing House Association for Aurora

The six banking institutions of Aurora have formed a clearing house association. Before the existence of this association each bank maintained a messenger whose duty it was to go to the other banks in Aurora and to present for payment the checks which his institution held against the others. Under the new arrangement this has been obviated. Now all the collectors gather in the office of the manager, who is elected once every three months, and there the checks of the association are exchanged. The officers of the association are elected annually and now are: William George, president, Old Second National Bank; B. F. Smith, vice-president, Aurora Trust and Savings Bank; H. J. Cooper, treasurer, Old Second National; C. E. Powell, secretary, Aurora National. W. W. Armstrong of the Aurora Trust is manager.

Aurora Banks in Flourishing Condition

Merchants National Bank of Aurora shows deposits of \$1,014,558.45. This bank was organized in 1888, and for a long time was under the direction and management of N. C. Simmons, who recently resigned from the presidency, much of its present financial standing and success being attributable to his efficient management. The present officers are: W. C. Estee, president; H. L. McWethy, vice-president; W. W. Armstrong, cashier; W. V. Slaker and R. N. Stolp, assistant cashiers.

Old Second National of Aurora also boasts of deposits over a million. The bank was founded by Alonzo George, father of the present president, William George, who is president of the Kane County Bankers federation, an ex-president of the Illinois Bankers Association and a member from Illinois on the executive council of the American Bankers Association.

Granite City National on Roll of Honor

Granite City National has been placed on the roll of honor, which is a distinction accorded to banks whose resources are over one million dollars. There are 7,500 national banks in the United States, 1,366 of which have attained this position. In Illinois there are sixty-three

banks whose resources are over the million mark. The Granite City National is but ten years old, a fact which renders the accomplishment especially noteworthy, as there are several institutions in the country which have been in business for a longer period and which never have attained this honor.

Penny Savings Banks a Success in Bloomington.

The report recently made by Mrs. Amelia Hall of Bloomington, showing what has been accomplished by the penny savings bank of the Bloomington public schools, indicates that the school children of that city realize the value of saving and accumulating money. On September 12, 1911, the balance on hand was \$2,002.56; there was deposited during the school year just ended \$1,776.23, making a total of \$3,778.79. Of this amount \$1,488.80 was withdrawn, leaving a balance on June 25th of \$2,289.99. There were 6,657 deposits and 675 withdrawals during the year. There are 107 children having money on deposit, ranging from \$5 to \$150 each.

Illinois Banking Notes

Jacksonville National, at a meeting of its board of directors, declared its regular semi-annual dividend of 3 per cent, payable July 1st.

Cashier A. H. Purdie of the German-American National of Pekin, his wife and Miss Martha Riefenstahl, left this week for New York, from which point they will sail for Glasgow, and spend the summer in the country made famous by the Poet Burns.

Bank clearings of Springfield banks for June show a decided increase. In July, 1911, they amounted to \$4,299,540.45. For the month just ended they totaled \$4,942,842.72, showing an increase of \$643,302.27.

Mechanics and Merchants Bank of Moline has declared a dividend of 3 per cent, which is the second since the organization of the bank two years ago. Total deposits now are close to \$900,000.

Union National Bank of Streator has opened a savings department in connection with its other business. Amounts of \$1 and upwards will be received, on which 3 per cent interest will be paid. The bank shortly expects to occupy its new building.

Litchfield National during the past year has increased its surplus from \$6,500 to \$10,000, besides declaring its regular 5 per cent dividend. This bank is one of the rapidly growing institutions of Litchfield, its progress being due to the efficient management of the men who are at the head of it.

Mrs. C. Schuman, 834 Eleventh Street, Springfield, who recently picked up a wallet containing \$8,000 in bank drafts and checks accidentally dropped by a collector for the Springfield Marine Bank, was presented by that institution with a handsome box of assorted confections as a token of appreciation on the part

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of the bank officials. Mrs. Schuman was not in the least excited over the character of her find, but immediately notified the bank of her discovery.

Sangamon Loan and Trust Company of Springfield has declined to accept the trusteeship in the settlement of the estate of Samuel L. Foster in the circuit court of Sangamon county.

Rumor has it that L. N. Seaman, former cashier of the Elgin National Bank, who was arrested in Los Angeles on a charge of misappropriating the funds of the bank, and who subsequently was indicted on that charge by the federal grand jury in Chicago, has returned to Elgin and taken a room at the Y. M. C. A. dormitory. It is said that he came East in order to give bond for his appearance, when his case is called. Federal officials in Chicago state that he has not yet appeared for this purpose, and they profess to be surprised at the knowledge that he is in Elgin.

Bert Chaney of the Third National of Rockford has gone with his wife to Christmas Grove, Me. He expects to be away about a month, will cruise up and down the coast of New England, and will make excursions into the woods and interior.

A permit has been granted by the state to organize the First State Bank of Pulaski, with a capital of \$25,000 and a charter tenure of ninety-nine years. The incorporators are H. L. Nelson, Fred Hood, John P. Nesbit, and D. W. Hellig.

State National Bank of Bloomington has employed an expert to install a large clock on the outside wall of the bank building. The clock will be nine feet tall and five feet wide. The dial is thirty inches in diameter, and can be seen from both east and west, the clock being so constructed that it stands out from the building several feet.

The Farmers Savings at Huxley, Ia., will erect a new building.

J. Fletcher Farrell

J. Fletcher Farrell, vice-president of the Fort Dearborn National of Chicago, recently has returned from Baltimore, where he attended some of the sessions of the democratic national convention, and helped to whoop things up for Champ Clark, who hails from Mr. Farrell's home state. On Thursday of this week Mr. Farrell left for a month's vacation, which he will spend in Missouri, visiting Paris, his home town, and Columbia and Jefferson City. Mr. Farrell formerly was assistant state treasurer of Missouri. He reports as having enjoyed his stay in Baltimore, and as having seen a large number of bankers in attendance at the convention.

REYNOLDS AND VAN VECHTEN IN ATHLETIC ROLES

George M. Reynolds and Ralph Van Vechten, president and vice-president, respectively, of the Continental and Commercial National, competed in a new field of endeavor at Ravinia Park on July 4th, where the officials of the bank gave a "summer party" to the employees of the bank. These two distinguished bankers participated in a fat man's race, Mr. Reynolds finishing fourth, and Mr. Van Vechten sixth.

MERCANTILE TRUST OPENS FOR BUSINESS

Mercantile Trust and Savings Bank opened for business on July 1st at the northwest corner of Clinton Street and Jackson Boulevard, in the quarters formerly occupied by the Mercantile Bank. The bank subsequently will be removed to the new C. B. & Q. building across the street, where handsome and spacious quarters will be provided for its use. Frederick H. Rawson is president of the new institution; Harry N. Grut, late of the Continental and Commercial National, is the cashier.

COMING TOO THICK FOR EDENS

The Chicago Association of Commerce and the Harvey Civic Club, both having good roads meetings for Tuesday, July 2d, invited William G. Edens, assistant secretary of the Central Trust Company of Illinois, and president of the Illinois Highway Association, to address their respective meetings. Mr. Edens, however, was obliged to go to Ohio to attend the sessions of the convention of the bankers of that state at Cedar Point, where the cooling breezes blow from Lake Erie.

Ira C. Bryant

"Oklahoma is to have a fine crop this year, all over the state," says Ira C. Bryant, cashier of the First National at Maysville, Okla. He says the banks have been carrying good farm paper over on account of crop failures, but this year everything will be cleaned up. Mr. Bryant is a "ball fan" and is spending his vacation in Chicago, where he can see the big leaguers perform.

PEOPLES SAVINGS BANK AND TRUST COMPANY

Peoples Savings Bank and Trust Company, Moline, of which Nelson H. Greene is the vice-president and cashier, showed deposit of \$423,175.26 under the last call. This bank is to have a new building.

EXTENDED TOURS TO YELLOWSTONE PARK

Twice as long in park as the regulation tours

Leave Chicago
July 19th, and
August 10th.

All Expenses,
including Standard
Pullman Sleeping
and Dining Cars.



Entire Coaching
Tours in Special
Chartered Stages,
all Side Trips
in the Park, and
many en route.
Select Clientele,
Private, Exclusive.

THE AMERICAN TOURIST ASS'N
1418 Marquette Building CHICAGO



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Secretary George D. Bartlett of the Wisconsin Bankers Association expects to have the programs for the annual state convention ready to issue early next week. The two days of the state meeting, July 24th-25th, will be marked by a number of novel entertainment features, in addition to addresses and discussions by well-known speakers. One of the chief speakers will be Detective William J. Burns, head of the detective department of the American Bankers Association.

First National May Increase Capital

To discuss the advisability of increasing the capital of the First National Bank from two and one-half million to three million dollars, the bank's stockholders will meet on Wednesday, July 24th, notifications of the meeting having been issued this week. The proposed move, if ratified by the stockholders, will place the institution an even million ahead, as regards capitalization, of its nearest Milwaukee competitor, the Wisconsin National.

Frederick Kasten

Frederick Kasten, vice-president of the Wisconsin National, is improving so rapidly, following a serious operation undergone at Milwaukee Hospital recently, that he expects to leave the institution within a week.

German-American Increases Dividend

The annual dividend of the German-American Bank was increased from 7 to 8 per cent at its annual meeting this week, support-

ing the statement of the bank's officials that the last six months have been the most successful in the history of the institution. All the officers and directors were re-elected.

New Milwaukee Bank

Another bank was added to Milwaukee's fast growing list of financial institutions on Tuesday, when the incorporation of the Union Bank of Milwaukee was authorized by State Banking Commissioner A. E. Kuolt. The capital is \$50,000 with W. B. Rubin, prominent Milwaukee attorney, Judge John C. Karel, mentioned as the next democratic candidate for governor, and Peter C. Wolf as the incorporators.

Says Wisconsin is Retrograding

That much of the legislation of recent years has resulted in giving Wisconsin an inferior position in manufactures and general improvements among neighboring states is the statement made by President Edmund Pennington of the Minneapolis, St. Paul & Sault Ste. Marie Railroad, when on Monday he voiced the decision of directors of the road to discontinue all extension in the state under the existing laws. "Conditions in Wisconsin are such as to discourage capital seeking investment and eventually wealth and population losses will show in the state statistics that the attacks of politicians on business have brought about retrogression instead of progress," said Mr. Pennington. He characterized the state railway commission as being earnest

and competent, but charged that professional politicians have sown seeds of discontent among the people for their own ends, resulting in unwise laws that hamper the growth and welfare of the state.

Reopening of Sheboygan Bank

A remarkable instance of public confidence attended the reopening of the German Bank of Sheboygan last week when, with the rumor of losses aggregating \$90,000 as a handicap, the deposits received during the first day exceeded the disbursements twenty times. According to President W. J. Rietow, who succeeded former President Frederick Karste following the latter's sudden death, only one person appeared during the day to withdraw a time deposit and finally decided to reconsider this action, and went away without taking the money.

Increased Grain Shipments

That the recent decision of the interstate commerce commission ordering a change in rate on rough grains between western points and Milwaukee over the Chicago, Milwaukee & St. Paul Railroad, will result in increased grain shipments to Milwaukee, is the opinion of George A. Schroeder, traffic manager of the chamber of commerce. "I think the decision will mean an advantage to Milwaukee and Duluth to the detriment of the Minneapolis market," said Mr. Schroeder. "As far as the Milwaukee market is concerned it will be placed



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

on the Duluth basis, with the natural result of increased grain shipments to this city."

Predict Big Wheat Crop

Grain men say that it is doubtful if the spring wheat crop outlook has ever been so favorable as this year. Plenty of moisture and cool weather with the warmer temperatures now prevailing as the needed stimulus for the top growth give promise of the highest degree of possible yield. Reports of a probable record fruit yield come from the Bayfield county fruit growing district, despite the fact that only a half crop of fruit is reported from other sections of the Northwest. In Bayfield county strawberries lead, with cherries, gooseberries, and other small fruit in abundance.

Banking Notes

William Webb Harmon has been elected cashier of the Lumbermens National of Menominee, Mich., succeeding the late M. S. Harmon. David G. Wilson, who has been teller of the bank for many years, has been appointed assistant cashier, succeeding W. W. Harmon.

The Gladstone State Savings Bank of Gladstone, Mich., organized this week with a capital of \$50,000.

Articles of incorporation of the Farmers State Bank of Hillsboro were approved by State Bank Commissioner A. E. Kuolt this week. The bank has a capital of \$20,000. The incorporators are W. J. Jewel, Charles Staley, and W. E. Lind.

The Farmers State Bank of Beaver Dam has added sixty new steel deposit boxes to its savings department.

Wisconsin ranks fifth in the value of her lumber products according to a census report on the lumber industry issued from Washington this week. The value of the state's product is \$57,969,170, annually.

The First National Bank of Appleton has purchased the property at present occupied by the old opera house building, on which it will erect a new structure to cost \$125,000, and predicted to be the most elaborate bank building in the state outside of Milwaukee.

Commissioner of Banking A. E. Kuolt has issued charters to the Onalaska State Bank, and the State Bank of Wales. The Onalaska institution opens with a capital of \$10,000. Abel N. Morr is president, and John C. Aiken, cashier. The State Bank of Wales lists capital at \$15,000 with W. H. Elias, J. H. Williams, and J. T. Hughes as incorporators.

W. H. Elias, Wales, was elected president of the new State Bank of Wales at a recent meeting of the directors. John S. Williams, Delaware, is vice-president. The bank is capitalized at \$15,000 with a surplus of \$6,000.

The report emanates from Marinette, the lumbering center of the state, that the present year is the most promising for the lumber trade since 1907, with a good demand and firm prices.

NEW ASSOCIATION OFFICIALS

North Dakota Bankers Association has elected the following officers for the ensuing year: President, R. S. Adams, president First National, Lisbon; vice-president, L. F. Crawford, cashier Inter-State Bank of Billings County, Sentinel Butte; treasurer, H. E. Sox, president Citizens State Bank, Edgeley. W. C. Macfadden of Fargo was re-elected secretary. The meeting next year will be held at Grand Forks.

Oregon Bankers Elect

The officers elected by the Oregon Bankers Association for the ensuing year are: Presi-

dent, Leslie Butler, president Butler Banking Company, Hood River; vice-president, W. L. Thompson, president American National, Pendleton; treasurer, M. G. Hope, president United States National, of Vale; secretary, John L. Hartman, of Hartman & Thompson, Portland; delegate to the American Bankers Association, John L. Hartman, of Hartman & Thompson, Portland; vice-president A. B. A. for Oregon, J. H. Albert, president Capital National, Salem.

Maryland

The Maryland Bankers Association elected: President, Daniel Annan, president of the Second National of Cumberland; first vice-president, W. C. Page, president of the Calvert Bank, Baltimore; vice-presidents, James T. Bright, of Centreville; George R. Gehr, of Westminster; James M. Sloan, of Lonaconing; Allan A. Harris, of Chester; W. J. Delcher, William S. Hill, of Upper Marlboro; J. Sawyer Wilson, Jr., Yates Penniman, and Thos. M. Hulings, of Baltimore; secretary, Charles Hann, assistant cashier of the National Mechanics Bank of Baltimore; treasurer, William Marriott, cashier of the National Mechanics Bank, Baltimore; committee on administration, Waldo Newcomer, Baltimore (chairman); Joshua W. Miles, Princess Anne; Joseph D. Baker, Frederick; W. B. Cooper, Chestertown; H. B. Wilcox, Baltimore, and N. H. Bailhe, New Windsor.

Connecticut

The new officers of the Connecticut Bankers Association are: President, C. L. Hopkins, cashier First National Bank, Norwich; vice-president, O. H. Brothwell, cashier First Bridgeport National Bank, Bridgeport; secretary, Charles E. Hoyt, secretary and treasurer South Norwalk Trust Company; treasurer, G. H. Gilpatric, cashier First National Bank, Putnam.

A large increase in the acreage planted with alfalfa is the immediate result of a new association of Wisconsin farmers organized in support of the alfalfa growing industry. According to a report of the Wisconsin Agricultural Experiment Association, 500 Wisconsin farmers have planted 2,000 acres of alfalfa this spring, using about eighteen tons of seed. Since the advent of alfalfa in the state only a few years ago the acreage devoted to the crop has grown to 18,000, as compared with 750,000 acres of timothy.



A. O. PAUNACK
New Assistant Cashier Second Ward Savings Bank, Milwaukee,
Wisconsin



MECHANICS-AMERICAN NATIONAL BANK

OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
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WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, July 3.—A gradual stiffening in rates marked the St. Louis money market during the last week. This satisfactory condition of affairs, from the banker's standpoint, is due to a picking up of the country demand, also the placing of increased lines of commercial paper by local business concerns. Now the current range is between $4\frac{1}{2}$ and 6 per cent. Rates on prime paper display a decided hardening tendency. The banks are making preparations for financing the crop movement, and hence are not such ready purchasers of bills, especially of lengthy maturity. Several of the larger banks are more completely loaned up right now than at any times for months; however, these institutions will have heavy maturing loans between now and September 1st. Call money has also become slightly more costly, due in a measure to the interest and dividend disbursements. On the whole, though, the half-year payments here have amounted to simply a shifting of credits, and cut no material figure in the situation. On the whole prospects are more roseate than for many weeks, and bankers are hoping soon again to come into their own. General business has shown signs of improvement, despite political deadlocks and sulphur. This is so especially in the Southwest, where it seems that the population is occupying itself more with crops and industry than political issues and log-rolling. Threshing is in full blast in the more important states along the lower tier of the winter wheat belt, and returns thus far indicate yields far in excess of estimates, and the quality is causing considerable surprise to certain professionally pessimistic persons, who a few weeks ago had the winter crop ruined beyond redemption. Rains in the Northwest have also helped along the feeling of optimism, and for another two or three weeks the business world need not be depressed with groans of the "crop killers" in that region. Clearings here continue to show up in excellent shape, the total for June indicating a wholesome gain over the corresponding month a year ago. Deposits are not piling up very rapidly, but such a happy turn was not anticipated for this time, and an increase would rather denote stagnant business. Local securities continue dead dull, but generally strong.

Missouri State Balance Large

The statement of State Treasurer Cowgill, just filed, shows transactions and conditions of the treasury for the month of June as follows: Balance on hand May 31st, \$4,505,120; receipts for June, \$502,204; disbursements for June, \$4,471,056; balance June 29th, \$4,471,056. The result would thus: Cash in treasurer's

vault, \$19,116; Exchange Bank, Jefferson City, \$220,050; First National, Jefferson City, \$220,930; National Bank of Commerce, Kansas City, \$221,268; German-American Bank, St. Louis, \$317,816, and Mississippi Valley Trust, St. Louis, \$3,471,874.

Wrecking Commonwealth Building

The work of wrecking the Commonwealth Trust Building, at Broadway and Olive Street, has commenced in good earnest, and will be pushed so that things will be ready for work on the new skyscraper, which is to supplant it, by September 1st. This building which is being demolished is the highest structure in St. Louis ever consigned to wreckers. Plans for the new structure are still in the hands of Eames & Young, the architects.

Nixon Sees Big Crops

W. C. Nixon, vice-president of the Frisco, who has just returned from an extensive business and inspection trip in Texas, reports excellent crop prospects in that state. He says that the corn crop is practically made, and that the entire unirrigated agricultural districts have received abundant rains. The moisture during the middle of June did material good to the cotton crop, which is now in a flourishing condition. The total corn yield will show up favorably with former years, and if the present promise for cotton is fulfilled, there will be a bumper crop. Mr. Nixon says there is apparently plenty of money in Texas, and that people are paying more attention down there to making more money and raising crops than to politics.

Postoffice Makes Gain

In spite of the general business depression throughout the past twelve months, the St. Louis postoffice made a goodly gain. Bank clearings and postoffice receipts are considered the best barometers of the business of any community, and the returns are a matter of satisfaction to local business and financial in-

terests. According to the report of Postmaster Akins, business of his office increased \$104,224 for the fiscal year ending June 30th. The total receipts for the twelve months were \$4,720,000, as against \$4,615,775 for the year ending June 30, 1911, or an increase of 2 per cent. In the mailing division 333,147,546 pieces of mail were handled, an increase of about 35,000,000. In the delivery department more than 4,000,000 pounds of letters were handled. In the same department papers handled amounted to 9,136,875. In 1911 about \$2,000,000 was turned back to the United States treasury above the expense of operating, and an even greater amount will be remitted this year.

Additional Interest Suits

Three more suits have been filed in the circuit court against the National Bank of Commerce growing out of a \$200,000 loan to J. T. Long of Kansas City. The amounts claimed in the latest actions aggregate \$285,769. Long asks \$325,450 in a previous suit, and the suits are based on alleged illegal charges in connection with the loan.

Watts Arrives July 10th

Frank O. Watts, the new vice-president of the Third National, will be on the job about July 10th, according to officials of that institution. Mr. Watts was president of the First of Nashville, Tenn. In connection with his retirement from that institution, it is announced that the First and Fourth Nationals of Nashville are to consolidate. The combined institutions are to be known as the Fourth and First National and handsome new quarters are to be provided for it. President W. C. Dibrell of the Fourth National will head the merged banks. The capital will be in excess of \$1,000,000.

New Bank for West End

Plans for the new Parkview Bank of St. Louis have been completed, and it is expected that the institution will be opened for business about August 1st. It is to be located at Westgate Avenue and Delmar Boulevard, and will serve the Parkview district. Officers and directors have about been decided upon, and their names will be announced next week. The bank will have an initial capital of \$25,000, all paid in.

Broadway National Change

A change in management of the Broadway National was effected on Monday, by which Edward Biesbarth becomes vice-president, succeeding D. A. Siegfried, who had held the position of cashier and vice-president. Mr. Siegfried will continue as cashier until Oc-

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of C. & E. I. service. It's the route that takes the mails.



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Gen'l Agt. Passenger Dept.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG - President
G. W. GALBREATH - Vice-President
J. R. COOKE - Cashier
D'A. P. COOKE - Assistant Cashier

T. WRIGHT - Vice-President
R. S. HAWES - Vice-President
H. HALL - Assistant Cashier
E. C. STUART - Assistant Cashier

tober 1st, when Mr. Biesbarth will also take that office. The change was the result of the Bankers Trust Company acquiring a large interest in the bank. According to the last tax return the Bankers Trust owned 400 shares of the Broadway National stock. As to whether it has since acquired control or not is not disclosed. It is stated that no other changes will be made at present. F. Ernest Cramer continues as president, and Henry C. Menne, as assistant cashier. Biesbarth resigned as secretary and treasurer of the Farmers and Merchants Trust Company to go to the Broadway National, and he has been succeeded by H. R. Rehme.

J. H. PETERS AT VIRGINIA CONVENTION

J. H. Peters, Gate City, Va., in speaking before the Virginia bankers at their recent convention on co-operation in banking, pointed out the necessity of having the right kind of men engaged in the profession—men who will inspire the confidence of the public, and who are fitted adequately to discharge their duties to the public. He also said:

"This demand for the right kind of bankers—men trained in efficiency and to a sense of their great responsibility, will go far to correct an evil that has been threatening of recent years—an evil pointed out most forcibly by Comptroller L. O. Murray—the unlimited organization of banks. He says: 'To say that the comptroller, bank supervisor, or any other power to issue bank charters must give to one and all who apply, irrespective of conditions, is preposterous. We might as well stop all attempt at bank organization, for incompetents, thieves and rascals will organize banks and wreck them faster than any comptroller or other supervising power can see to it that they are well and safely managed.' Banks have been multiplied in the rapidly growing sections of the West to the extent that in some places it is claimed that there are one or more to a population of two hundred. The same condition is apt to foist itself upon the rapidly growing South if we do not forestall it by means of education demanding efficiency and high character in bankers. And to effect this we must be closely united."

In commenting on the desirability of obtaining men who are trained in banking matters, and the urgent necessity of education along these lines, the speaker said:

"To meet this need the first step in training seems to have been taken in the formation of the American Institute of Banking. To call the Institute the first step in training for co-operation is only another way of saying that the first step in anything always is in some way educational. The Institute is intended not only to increase the efficiency of the bank men, but to educate them to a sense of their responsibilities in all the intricate trade relations with which banking is concerned."

Mr. Peters believes that co-operation among banks has a good effect upon public confidence, pointing out that of old banks often were looked upon with suspicion owing to the number of wild-cat institutions in which people lost their hard-earned savings. He believes there can be no better remedy for this than co-operation, meaning a responsibility not divided or isolated, but equally imposed, each bank bearing, shoulder to shoulder, its part of the responsibility. In urging the need of co-operation he pointed out that the banker occupies a very prominent position in the world—that he is a sort of leader, saying:

"Banks are the only institutions in the world which are expected to perform a seemingly mi-

raculous feat—that of occupying two places at the same time, the van and the rear. In other words, banks and bankers, to fill their place properly as the leading instrument of industry, commerce and material development, in these modern times, must stand for progress with a big 'P.' They must not only be in the van but must lead the van. At the same time, to be true to the trust imposed in them, as guardians of so much of the world's wealth, they must exercise the extremest care, forethought and reluctance before they risk anything in any venture, or adopt any new measures, methods or systems. In short, they must be at the same time conservative and progressive; they must press forward in the race, and they must not lag behind, if they would satisfy all the demands made upon them, come up to the expectations of their friends, and at the same time disarm their enemies. How are we to fill such a bill? There seems indeed to be no other way than that we are attempting to follow, to reach around the entire business circle, to cover all intervening space and let the extremes meet. This is our universality—our universal importance. I am myself so impressed with the importance of our place in the business world that I can think of nothing which so fully expresses it, especially in times of crises, as the following little story: A little girl in a Pennsylvania town, in saying her prayers the other night, was told to pray for her father and mother, who were both ill, and for one of the servants, who had lost her husband. She faithfully did as she was told, and then, impressed with the dreary condition of things, added on her own account; 'And now, O God, take good care of yourself, for if anything should happen to you, we should all go to pieces. Amen!'"

IDAHO BANKERS ELECT

The Idaho Bankers Association at its convention recently at Coeur d'Alene elected the following officers for the ensuing year: President, A. H. Keller, cashier First National, Weiser; vice-president, Wm. Thompson, cashier Lewiston National; treasurer, W. W. Driggs, president Driggs State Bank; secretary, J. W. Robinson, vice-president Union Savings and Trust Company, Boise; executive council, C. W. Moore, president First National of Boise, Idaho; John C. Rice, president Caldwell Commercial Bank; F. L. Dyer, cashier Fremont County Bank, Sugar City.



E. R. FANCHER
Vice-President Union National Bank, Cleveland, Ohio

Editorial Comment

THE NOMINATING COMMITTEE

The nominating committee of the American Bankers Association will have as one of its members this year Mrs. C. E. Batcheller of Pingal, N. D. This is the first time that a lady ever has sat as a member of an important committee of the association. The duties of the nominating committee as defined by the constitution are to select from the membership suitable names to be balloted upon for the positions of president and vice-president. No fairer or more conservative system of selection could be devised. Each member of the committee is chosen months in advance of the meeting of the national convention by the members of the A. B. A. resident in the several states. It has been the custom for several years for the nominating committee to promote those having given suitable service to the next succeeding position in importance. The chairman of the executive council usually has been advanced to the vice-presidency and the vice-president has been made the president. In no recent instance has any other nomination been offered before the convention than those proposed by the nominating committee. This is not because there are any restrictions on the subject in the constitution or by-laws, for there are none. At the last convention held in New Orleans a resolution was considered, preventing rotation in office. It provided that an officer of the association could not again hold office for one year after the expiration of his term. There was a great deal of discussion and some feeling developed upon the subject, which latter went to the committee on amendments to the constitution for further consideration. At the Briarcliff meeting of the council the amendment was passed upon favorably and will be submitted at the Detroit convention for adoption as a part of the constitution of the organization. Members of the association will do well to consider the matter carefully before casting a final ballot on this difficult subject. A number of the states have tried the plan and quickly abandoned it, the objection being that it practically prevents the selection of an experienced and informed man on association matters to become the president of the organization. In instances where it has been tried the election of a man as presiding officer who knew nothing about the past work of the organization, nor of its policies, operated so much for delay that by the time his term was up he only had begun to understand the duties of his office. It is the history of all well-conducted organizations that men well and carefully trained, first in the ranks, then on the council or executive committee, then in the minor official positions and finally the presidency, are the best equipped for the position and the safest to entrust with the highest administrative office.

The present plan of operation men of high standing practically

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

are certain of promotion. There is nothing in the constitution to prevent any member from making additional nominations from the floor; neither is there anything to prevent the nominating committee from naming more than one person for each office. In bankers' organizations, both state and national, this has not been customary for the very best of reasons. There are no remunerations or benefits to be derived from these positions except a social reward for duty well done. All members of the association practically are of equal rank, all of the same high character, and nearly all of them well adapted to the executive work which comes to an officer. For these reasons it has been customary, as has been said, to promote the deserving ones and thus always to have experienced, well-qualified men in charge of the material affairs of the organization.

LOYALTY VS. SELFISHNESS

Rumor has had it ever since the Chicago convention that the Taft managers, to test out Col. Roosevelt's progressivism and his devotion to the "tainted delegate" issue, made him a direct offer of compromise. They proposed to seat the Roosevelt delegates from Washington and Texas if Roosevelt would consent to the nomination of Governor Hadley or some other third man. Governor Hadley passed through Iowa the other day on his way to fill Chautauqua engagements, and was asked about the truth of the story.

"That proposition was made to me and I

understood that it also was made to Colonel Roosevelt," Governor Hadley said. "I refused to consider or discuss it unless it first had the approval of Colonel Roosevelt, as I was for him for the nomination and no one else. I was told afterwards that Colonel Roosevelt had refused his consent."

Probably even this will not convince the credulous third-termers that their idol has only feet of clay. That he did not stand for a progressive candidate or a progressive platform, but only for Roosevelt, is believed by the unprejudiced. La Follette has told his followers the truth and Hadley has confirmed it. The only Oyster Bay program was Roosevelt or a bolt.

THE COLONEL'S THIRD PARTY

Those who possess the most skill in matters pertaining to politics do not take seriously Mr. Roosevelt's intention to organize a third party. It is not believed that such an undertaking has even the remotest chance of success. The people of this country have become accustomed to the two big parties, and are loath to bestow any serious consideration upon a third party. A new party, in order to be a successful venture, would have to come as a remedy for some emergency vitally affecting the interests of the country. It hardly need be said that no such condition of affairs exists at the present time. Theodore Roosevelt's primary object in severing his relations with the party under whose name he has held every office he ever has occupied is purely personal. Realizing that the republican party at last has been aroused from its lethargy and determined to rid itself of his arrogant and insolent despotism, he has come to the conclusion that the best way to further his personal ends is to organize a new party with himself as its leader. His desire for personal advancement even has led him to make overtures to some of the democrats who in his estimation embody some of those progressive principles for which he claims to stand. He believes in allowing the people to rule, but also is laboring under the delusion that he is the people. Another difficulty with which the Colonel will have to contend is the financing of such an enterprise. Now that some of the political bosses who contributed so liberally to his recent campaign have deserted his standard, he will find it tough sledding to obtain sufficient money to organize and operate successfully his new endeavor. It is not likely that such an idea will receive either the support or encouragement of any of the political leaders of the various states of the Union. This is evidenced by the refusal of those men, who themselves are candidates for office in their respective states, to join the Colonel. They do not care to endanger their own chances by espousing a revolutionary cause, the leader of which already has been in public

Convention Dates

WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. **Q** Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. **Q** Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

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life long enough to satisfy any reasonable man. The country does not want a third party; there is no urgent necessity for it; if formed it will be a one-man party, a thing which the liberty-loving American people do not look upon favorably. One can become tired of even something that is good, by coming in contact with it too much. When, however, its value is a question of grave doubt, its frequent recurrence often is annoying, if not irritating. Scat!

THE CANDIDATES

Nothing need be said to bankers about the candidacy of Mr. Taft. He was the first choice of most of them and the only man who could place Mr. Roosevelt away on the upper shelf, without Mr. Roosevelt's own consent. A stronger man than either might have been named at Chicago had Roosevelt been willing to sink his own personality that a progressive might be nominated. This he was not willing to do, hence Taft was the best and only possibility.

The Baltimore convention has gone on record as progressive and named the best possible exponent of that advanced doctrine for the presidency. Of Woodrow Wilson, the progressive republican Chicago Tribune says editorially the day after the nomination:

Gov. Wilson represents intelligent progressivism within his party, a progressivism which found successful expression at Baltimore, though it failed at Chicago. He is a man of high personal character, of distinguished intellectual attainments, and brief but brilliant political record.

The democratic party is to be congratulated upon the choice of Gov. Wilson. It also owes a debt of thanks to Mr. Bryan, whose successful fight in the convention against reactionary plutocracy will go down to posterity as one of the most dramatic exhibitions of the moral influence of a great leader of the people our political history has shown.

The independent republican Chicago Record-Herald says of Mr. Wilson:

Governor Wilson is a moderate and sane radical, a constructive radical, a student of history, political science and economics. He is a serious thinker and a capable administrator. His record as executive of New Jersey is in every way creditable and promising. He has been a firm and an independent governor. He has risen above party levels and has co-operated with clean and public-spirited republicans. He has been vigorous and vigi-

lant, but at the same time careful and prudent. He has vetoed popular legislation when he knew that it was crude, unfair and half-baked. He has protected legitimate interests. He has promised nothing that he could not fulfill; there is nothing wild or demagogical about his style of oratory.

Thus it would seem that there is no call in reason for Col. Roosevelt to project himself as a third party on the people. The destinies and institutions of the country will be preserved under either Wilson or Taft and "the people will rule" quite as much under either as they did under Theodore, and with less ruction and turmoil in the White House.

DENMARK AND WISCONSIN

Denmark is known as the world's agricultural experiment station. It is ruled by peasant farmers. The ministry is composed of peasants. The state is run for agriculture. Education is adjusted to this end. There are high schools university extensions, classes in dairying in every village. Democracy has eliminated illiteracy. There is scarcely any poverty. Denmark has done this through the rule of the peasant, through co-operation in buying and selling. There are few millionaires in Denmark, and very few poor people. England is fed by Denmark.

A large percentage of the population of Wisconsin is Scandinavian, and Wisconsin has adopted the Danish idea of using education to improve agriculture. Farming is a lucrative

profession in that state, largely through the inspiration of the state university, which has increased the value of dairy products until they exceed the total value of the gold and silver produced in California, Alaska, and Colorado. Wisconsin has been converted into the Holstein, Jersey or Guernsey of America by practicing scientific breeding. The state is breeding horses in the same way. It is an experiment station in farm eugenics. The university breeds pure seeds, by which it has increased the yield of corn, of barley and of oats. It is claimed that the state university, through its scientific experiments and university extension, has increased the value of farm products by twenty million dollars a year. It pays for the total cost of the university a dozen times over each year. Frederic C. Howe, in his recent book on "Wisconsin: An Experiment in Democracy," describes how an American state, using its university as a laboratory of politics, has sent its farmers to school and saved the state from agricultural decay owing to the exhaustion of the soil.

William R. Dawes

William R. Dawes, vice-president and cashier of the Central Trust Company of Illinois, and Mrs. Dawes are on a trip to the Pacific Coast country. The strenuous business life Mr. Dawes led from last October until late this spring, when the various bank consolidations in which the Central Trust has been interested were consummated, caused him to want a change of scene, and hence the trip West.

A FLING AT SECRETARY MACVEAGH

Washington, D. C., July 3.—Assistant Secretary of the Treasury A. Piatt Andrew has resigned from the treasury department in a letter addressed to the president. In a lengthy document he assails Secretary MacVeagh for a hundred alleged shortcomings. It is not likely that much attention will be paid to him, as he has long been regarded as both tiresome and inefficient. MacVeagh found it necessary to curtail Piatt's range of operations and occasionally close his office door for privacy, all of which worked on Piatt's imagination and brought his resignation.

NEW BANK FOR CHICAGO

The Park State Savings Bank has been organized with a capital stock of \$200,000. R. Kulp, A. L. Peterson and J. W. S. Fre are interested in the new institution.



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C. R. LAWS	Assistant Cashier



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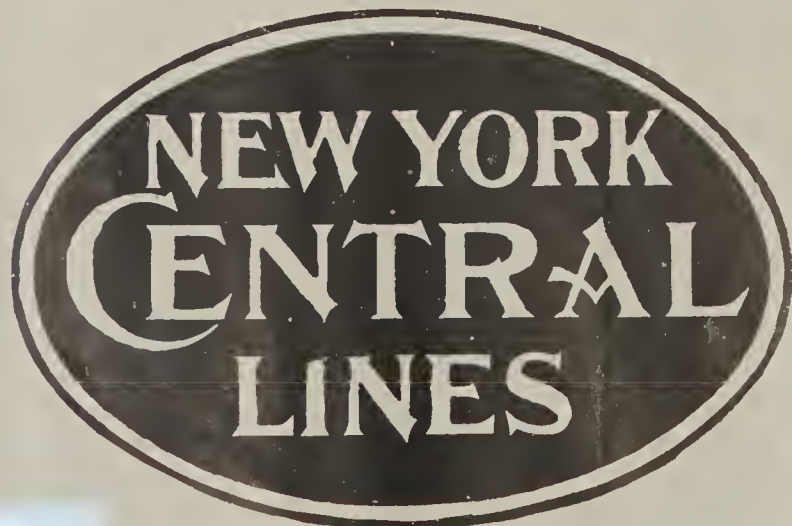
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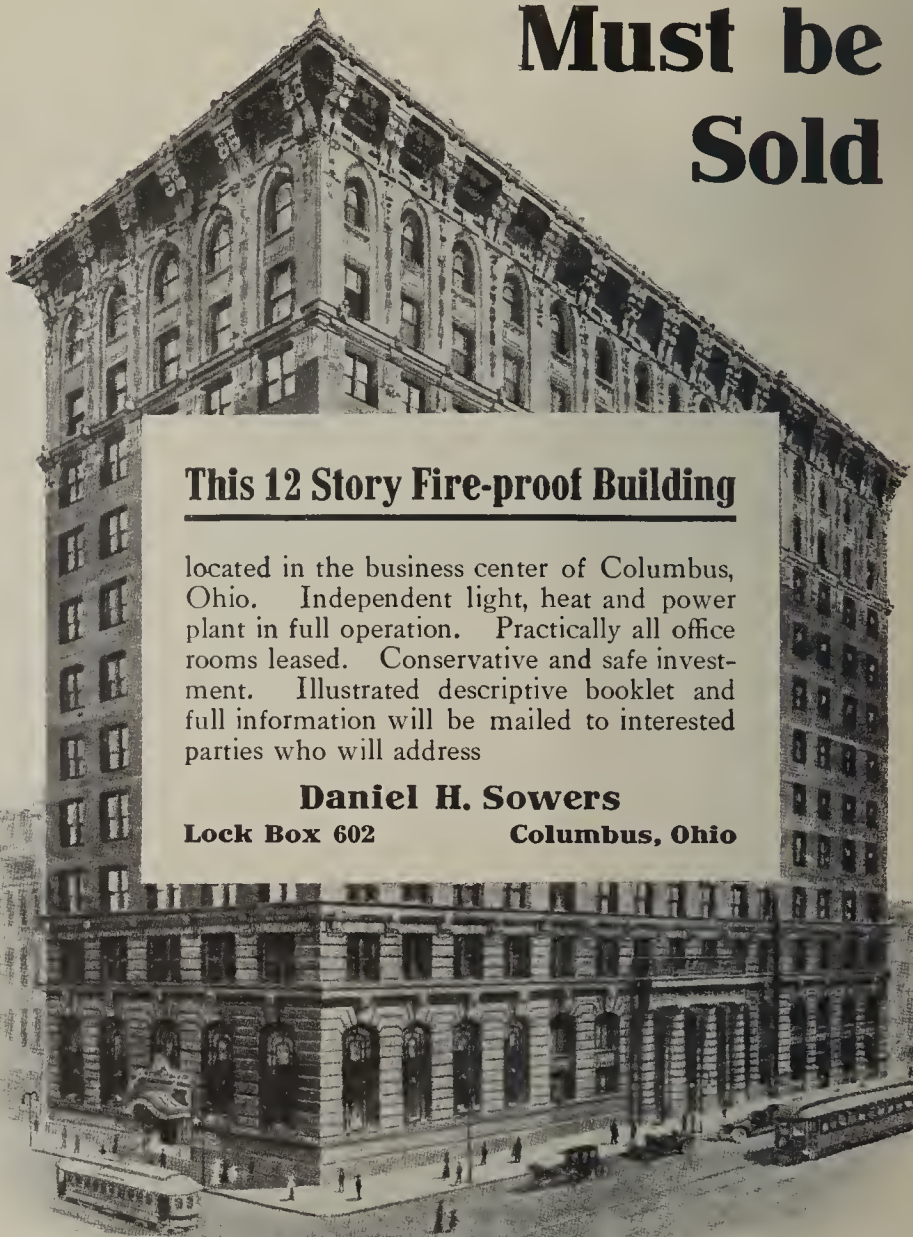
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Progress Under Ohio's New Banking Law

Like all other good legislation, the present banking law did not meet with favor in the eyes of some bankers who believed that freedom could have no restrictions. This feeling in some places was so deep-seated as to make it necessary for the newly created banking department to adopt stringent measures, and in view of the results obtained I do not apprehend that any of these gentlemen now have any doubt in their minds that the department has the courage of its convictions. I only mention this in order to demonstrate that the work of banking supervision is not always the most pleasant, and like all other avocations has its disagreeable features.

This department has felt all along that its mission in Ohio was not to interfere, hinder or destroy the proper conduct of banks, but was to assist in building up wherever an element of weakness was found. It has been the policy to close a bank only as a last resort, in preserving assets for the benefit of the depositors and stockholders. We have had conditions which appeared, at first glance, to be hopeless, but in our search for a remedy we have often found a way to rehabilitate; and I want to assure you that the officers of the department receive no recompense so great as the consciousness of having assisted in saving a bank. The law makes it obligatory upon the department of banks to require an impairment of capital to be made good. It also requires us to see that proper methods are employed in the conduct of a bank. It has happened in several instances that we have found no definite impairment of capital, but did find such methods employed as to make it altogether probable, and in fact absolutely certain, that an impairment would be created sooner or later, and a loss to depositors made manifest at any moment. You can imagine how difficult a situation like that might be, and what a strong resistance would meet our efforts to correct the methods employed.

It has been our unpleasant duty to close a total of fourteen banks; six of these institutions were rehabilitated, and returned to the control of the stockholders, and in this accomplishment the department claims a pardonable degree of pride. In each instance it was necessary to close the bank to preserve the assets for the benefit of depositors and stockholders. The banks had met with difficulties which the officers and directors were powerless to overcome. A short cessation of business in each instance enabled the department to protect the assets of the bank from imminent sacrifice, and gave the stockholders an opportunity to recover their equilibrium by making good serious losses. These banks remained in our hands for periods varying from one week to sixty days, and when returned to the control of the stock-

Supt. F. E. Baxter at the Cedar Point convention tells how its restrictions are ridding the state of the unscrupulous banker and the professional bank promotor. Opposition met and overcome. Fourteen banks closed to preserve assets. Ninety-five new banks started. Loose-leaf ledgers condemned as easy of manipulation

holders they had been thoroughly cleansed of every defect. Each of these banks has recovered the confidence of the people of the community, they are reasonably prosperous, and have become agencies of good to the community.

It was a source of much gratification in the first examinations made to find so large a number of banks above criticism. Such banks as were good, safe, strong institutions before the new law was enacted continue so to-day, and will no doubt remain bulwarks of safety as long as their present management is in control. These banks have furnished an inspiration to the officers of the department, and I cheerfully bespeak for them your most profound approbation. It might be interesting for you to know that we have on file in our office a list of the banks showing the best earning power, and that the names on this list are iden-

tical with a list of banks which we regard as being above criticism. This in itself is conclusive proof that the safe and conservative methods are most remunerative.

The department now has a total of 503 banks and trust companies under its supervision. These banks and trust companies have aggregate resources of over 520 millions, an increase of more than 105 millions since the department was created. It will therefore be seen that the average resources per bank are over one million dollars.

The department has persistently urged the curtailment of overdrafts to such small temporary ones as are absolutely necessary to the accommodation of the bank's patrons, and it is gratifying to know that this appeal has met with universal approval among the bankers, and that as a consequence the aggregate amount has been reduced from \$1,108,393.33 upon August 18, 1908, the date of the first reports rendered to the department, to \$382,931.84 upon April 18, 1912.

There have been ninety-five new banks granted certificates of authority to begin business since the department was created. The law granting authority to the superintendent of banks to refuse a certificate to begin business has had a salutary effect upon the situation in so far as new banks are concerned. We hold to the idea that there must be a crying need for an institution of that kind, and that the initiative in organizing banks should be taken by local people. It is our observation that where a bank is needed in the community the people therein will themselves be able to furnish the facilities.

Manipulations of the unscrupulous bank promotor are at an end in Ohio, and it is impossible for such a person to receive any consideration at the hands of this department. A new bank must start clean or it cannot begin business at all. Its officers and directors must come with their application for a charter clean-handed, with demonstrated responsibility, at least some experience, and a reasonable prospect for success. During the period since the passage of the new banking law in 1908 there have been thirty-seven voluntary liquidations and consolidations. Six banks made assignments before the passage of the present liquidating act in 1910. Two of our state banks have been nationalized, and there are eight institutions now in process of liquidation by this department—or a total of fifty-three charters surrendered, leaving a net gain of forty-two banks in number. Of the eight institutions now in the hands of the department for liquidation only one, the Commerce and Deposit Bank of Cincinnati, has reached a point wherein the depositors and other creditors have been paid in full.

(Continued on page 30)



S. J. BRISTER
Canal Dover

Treasurer Ohio Bankers Association

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

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Capital, \$2,000,000

Surplus, \$500,000

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W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"So intimately are all our interests in this locality dependent upon agriculture," said J. R. Dominick, president of the Traders National of Kansas City, to the representative of THE CHICAGO BANKER, "that we are simply waiting the outcome of the harvests. Business is not as lively as usual and that may be accounted for on the same ground. Merchants delay ordering stocks until they have a sound basis for estimating the demand. At present there is a steady flow of money into the farming districts to handle crops but the industrial requirements are easily met. Never before in my recollection have the banks and bankers taken such a solicitous interest in the prosperity of the farms. From the beginning of the season the banks have advised and helped farmers in planting their crops. Bankers have distributed literature instructing the farmers in testing seeds and in scientific soil preparation. Naturally, the bankers are now overjoyed at the big results of the present season. I have reports from all parts of the Central West, and it appears that the crop conditions are uniformly satisfactory."

Conditions Excellent in Central West

The past week has been one of brightening prospects in the Central West. Crops have progressed well and the wheat harvest is now in full swing. While estimates of the wheat crop range high it is believed by careful bankers that such estimates are entirely justifiable, based on the wheat already gathered. It was feared that continued wet weather would interfere with field work, but a week of sunshine has made harvesting conditions satisfactory. The corn fields are developing a splendid crop and, while it is still some time before corn will be entirely safe, no better growing weather could be asked for than that of the past week. With a good crop outlook and high prices for farm products, the Central West expects a season of more prosperity for the farmers than has been known for three years.

Released from Leavenworth

Oscar F. Cochran, a nephew of Whitelaw Reid, and a member of the famous "Bankers' Colony" at the Leavenworth Federal Prison, has been released on parole. Cochran was received at the prison in November, 1909, to serve five years for embezzling funds from the American National Bank of Indianapolis. He disappeared from Indianapolis in 1907, when it was found that he was short in accounts. He was arrested in New York two years later.

Central West Notes

Laughlin, cashier of the Citizens State Bank, Kan., is a candidate for state

treasurer of Kansas on the Democratic ticket. Mr. Laughlin's petition contains the signatures of over three hundred bank officials.

The Wichita, Kan., chapter of the American Institute of Banking held a picnic Saturday of last week, a feature of which was a spirited ball game in which the clerks of the Fourth National and the State Savings defeated the clerks from the Kansas National and the National Bank of Commerce by a score of 5 to 3.

The Hebron State Bank of Hebron, Tex., has received a charter and starts business with a capital of \$10,000.

A charter has been issued for the First State Bank of Pilot Point, Denton county, Tex., with a capital stock of \$20,000.

The following reserve agents have been authorized by the Texas banking department: For the Dialville State Bank, Dialville, the Commercial National, Shreveport, La.; for the Gonzales State Bank and Trust Company, Gonzales, the American National of Austin.

The following out of town bankers were in Kansas City last week: Fred T. Perkins, Oswego, Kan.; A. H. Waite, Joplin, Mo.; W. H. Burk, Bentonville, Ark.; Wesley Denton, Butler, Mo.; H. P. Reich, Ada, Okla.; W. H.

Brenner, Pawhuska, Okla.; E. B. Rogers, Lathrop, Mo.; T. M. Walker, Atchison, Kan.; John A. Bird, Pawhuska, Okla.; G. W. Allison, Leavenworth, Kan.; John M. St. John, Westmoreland, Kan.; Daniel Hoefer, Higginsville, Mo.; G. E. Vincell, Galt, Mo.; N. B. Dannenberg, Chelsea, Okla.; Isaac Guinn, Milan, Mo.; J. A. Stine, Alva, Okla.; A. D. Dimmock, Hiawatha, Kan.; George L. Aycock and F. A. Sewell of Texhoma, Okla.; A. H. Fitzwater, Goff, Kan.; William L. Stephens, Versailles, Mo.; Allen Mansfield, Jr., Ottawa, Kan.; W. Henry Davis, Lockwood, Mo.; T. J. Noland, Stratford, Tex.; J. A. Henry, Atlas, Okla.; J. A. Cowling, Stonewall, Okla.; C. G. Cochran, Plainville, Kan.; P. J. Dean, Hays City, Kan.; C. F. Hanson, Paola, Kan., and I. B. Alber, Russellville, Kan.

The Texas Bank and Trust Company of El Paso has received a charter. It has a capital stock of \$100,000, and the directors are F. M. Murchinson, Lee H. Ordorff, Cyrus H. Jones, H. P. Jackson, H. D. Camp, O. C. Cales, James Vance, Henry Seggerman, and Sol I. Berg.

F. W. Woods, of Spencer, Neb., and John P. Biehn, of Gregory, S. D., have purchased the interests of W. B. Carlock, president, and V. H. Stevens, director in the Corn Belt Bank and Trust Company of Gregory, South Dakota.

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The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums, ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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TO IMPROVE FARMING COUNTRY

A Colorado banker has devised a plan for the betterment of the agricultural country he serves, which may well be emulated in other states of the Union where the same condition prevails. The idea is to encourage well-to-do men in each community to relieve conditions of lack where most flagrant, and place the farmer on a prosperous basis, as follows:

That the destitute farmers of eastern Colorado may be supplied with seed and feed without further loss of time, it is proposed that the responsible men in each community where the need is most apparent shall take the notes of the farmer for seed and feed, and then have the banks of Denver and Colorado Springs carry the notes for seven months at 8 per cent. The local men of each community will thus be able to secure money which shall be invested in seed and feed to be retailed to the farmer on the strength of the note at a profit of 25 per cent. If there are no losses on the notes the 25 per cent profit is to be returned to the farmer, but should there be partial losses all shall participate in them equally. The 25 per cent profit will offset to a large degree any possible resulting losses.

R. T. FORBES - President

J. E. COMBS - - Cashier

R. S. BRITTAIN, Asst. Cashier

R. N. RIDGE - - Auditor

THE FIRST NATIONAL BANK

Of Buchanan County

ST. JOSEPH, MISSOURI

Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

CAPITAL \$500,000

SURPLUS 300,000

ASSETS 6,500,000

We solicit your business and offer you exceptional facilities

Correspondence invited :: ::

Philadelphia

Heavy decreases in deposits and cash reserves in the face of a moderate expansion in loans by Philadelphia national banks have brought about a firmer condition in the local money market, noticeable chiefly in commercial paper. Complete figures of the bank returns on June 14th to the comptroller of the currency explain this stiffening, as they show decreases of \$8,103,507 in deposits and \$6,346,682 in cash and reserves, compared with April 18th. The deposits on June 14th were \$353,970,859 and the reserves \$81,879,690. The reserve ratio dropped below the legal minimum, standing at 24.73 per cent, against 25.64 on April 18th and 26.50 per cent on February 20th. The loss of deposits was altogether in bank funds, individual deposits increasing slightly despite this withdrawal of funds. There was expansion in loans and discounts from \$1,056,978 to \$228,803,212 and an increase in bond investments from \$648,947 to \$40,357,310.

CITIZENS LEAGUE FOR EDMONTON

Edmonton, Alberta.—Citizens League of Edmonton, recently organized by representative business and professional men, has established offices in the Tegler building and will co-operate with the Board of Trade and the industrial commissioner, to be appointed by the municipality, in acquainting the world with what the city and the tributary country offer to investors, manufacturers, settlers and tourists. The general plan is to encourage the influx of capital for legitimate purposes and attract earnest and ambitious people to assist in working out a better and more homogeneous development and settlement of the farming communities, with a view to adding to the population and wealth-production of the Edmonton district.

The organization committee, which has charge of affairs for the first year, is composed of M. R. Jennings, editor and managing director of the Journal, chairman; George W. Swisland, manager of the Molson's Bank, treasurer; M. S. Booth, manager of the Hudson's Bay Company; J. E. Brown, manager of Revillon Brothers; William MacAdams, editor of the Capital; John Blue, provincial librarian; John Howey, editor of the Bulletin; T. W. Lines, capitalist; William A. Sugarman, merchant; F. C. Jamison, barrister. August Wolf, formerly of the Spokane Chamber of Commerce, is secretary.

The organization has nothing to sell and has no special or private interests to serve. The men who organized and are supporting the movement are public-spirited, and the league, though independent in its scope and operation, has the moral support and full co-operation of the municipality, the board of trade and allied organizations, and the financial, industrial and commercial interests of the city.

Other Edmonton News

Twenty-one domestic companies, with an aggregate capitalization of \$1,500,000 and head offices in Edmonton, were incorporated in the province of Alberta in May. The total in the province during the month was 52 corporations with a total capital of \$6,300,000, the largest in the history of Alberta. Eleven foreign companies with a total capital of \$5,

805,000 were registered in the same month. The most notable of these is the Credit General du Canada of Antwerp, Belgium, capitalized for \$2,000,000. The corporation will make investments in the Edmonton district, and throughout Alberta.

Sir William Mackenzie, president of the Canadian Northern Railway Company, said while in Edmonton recently that the program for 1912 includes the completion of 400 miles of new track on main line and branches in the province of Alberta, the laying of 100 miles of steel on the Onoway-Peace River branch, the completion of the Goose Lake



GEORGE P. JONES
Findlay
Ex-President Ohio Bankers Association and Member Council of Administration

extension to Calgary and portions of the Brazeau line and the Oliver and Calgary-Vegreville branches. He added that an effort will be made to complete the main line to the Yellowhead Pass during the present season and that passenger service on the Edmonton-Athabasca Landing branch will be opened in a short time. The company has 20,000 men at work in the Dominion and of these 5,650 are employed in Alberta.

PAUL HULL DEAD AT BRIMFIELD

Paul Hull, for many years a leading Chicago journalist, and recently head of the second-class mail division of the Chicago postoffice, died on Wednesday at Brimfield, Ill., at the home of his wife's parents. Mr. Hull was genial, talented and popular and for years a leader in Press Club affairs.

NEW TRUST COMPANY FOR TEXAS

Waco, Texas.—Announcement is made of the formation of the Continental Trust Company of Waco, with a capitalization of \$1,000,000. Business will be accepted by the new company within the next four months. Judge Sam R. Scott and other prominent Wacoans are behind the new venture.

Indianapolis

Indianapolis.—So many persons visited the Indiana National Bank and the new Fletcher Savings and Trust Company Monday (July 1) that it was difficult to handle the business. The Indiana National, one of the oldest banks in Indiana, opened under new conditions, the Capital National Bank having become a part of a consolidated organization. The Fletcher Savings and Trust Company, successor to the German American and Marion Trust companies, also had its first day on Monday. At the Indiana National many flowers were received. These came from every other financial concern in the city as well as leading banks at various points in the state. The incoming mail brought dozens of letters of congratulation and telegrams were received from banking houses in New York, Chicago, St. Louis and Western cities. The desks of Chairman Malott of the board and President Frank D. Stalnaker were covered with flowers and every counter and desk in the new bank was adorned with bouquets of enormous size.

The opening of the Fletcher Savings and Trust Company was a somewhat dual affair, two branches being maintained, the German American and Marion companies retaining old quarters until a new building is provided. President Woollen and Vice-Presidents Albert E. Metzger and Hugh Dougherty received personal calls from practically every member of the banking profession in the city as well as many flowers. Communications also were received from local and out-of-town bankers wishing the new institution a successful career.

The Marion county board of finance, which distributes the public funds in the several banks and trust companies of the county, has recognized the merger of the Capital National Bank with the Indiana National Bank, and the consolidation of the Marion Trust Company and the German-American Trust Company, and has authorized the county treasurer to distribute the funds in these banks according to the law.

DIRECTORS OF NEW MILWAUKEE BANK ELECTED

Directors of the new Commonwealth Mutual Savings Bank of Milwaukee have been elected as follows: J. C. Kleist and Judge Richard Elsner for three years; J. L. Brodde, William Coleman and Jacob Hunger for two years. Officers of the new institution will be elected in the near future.

RECEIVES NEW APPOINTMENT

Anton Geiger of Iowa City, Ia., and recently connected with the Spencer Savings Bank, has been appointed assistant cashier of the Farmers Savings Bank at Ruthven, Ia. Mr. Geiger still is in his teens.

NEBRASKA BANKERS TO MEET IN OMAHA

The executive committee of the Nebraska Bankers Association has decided to hold the annual convention at Omaha in the fall. Date and program have been left to the local clearing house association.

The Southern Illinois National Bank of St. Louis has increased its capital to \$150,000.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

INDIVIDUAL GROWTH—NOT CONSOLIDATION

Union National Bank

CLEVELAND, OHIO

Capital	-	\$1,600,000.00
Surplus	-	1,000,000.00
Deposits over		12,000,000.00

OFFICERS

GEO. H. WORTHINGTON, President	W. E. WARD, Assistant Cashier
E. R. FANCHER, Vice-President	W. C. SAUNDERS, Assistant Cashier
G. A. COULTON, Cashier	E. E. CRESWELL, Assistant Cashier

Strictly a commercial bank. ☐ We offer to our customers and those seeking a banking connection, adequate facilities and an experience derived from twenty-eight years of banking service. ☐ Accounts of individuals, firms, corporations and banks solicited

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

That the reciprocity matter is only sleeping is the opinion of F. A. Chamberlain, president of the Security National, returning from a trip through the West. Western Canada, he is sure, wants it. Meanwhile, Canada has a big crop that is coming along well, and if the crop comes through, the country is going to do a big business with Minneapolis, he says. "Cement is the biggest visible factor of trade influence that one sees at this time in western Canada," Mr. Chamberlain said. "The Canadian government has reduced the import duty, temporarily, that cement enough for building construction may be obtained, and this has led some of the influential west Canadian newspapers to argue for the full and permanent discontinuation of the import tax. Reciprocity is still a live issue out there."

Large Grain Crop

"Ten years ago I was in Saskatoon, which had 200 population. Commercial interests now claim 20,000. The John Deere, International Harvester, Rumley people and others are doing a big agricultural implement and machinery business and traction and gasoline engines are seen everywhere. Building construction is going on at a great rate. Everybody seems very confident that, notwithstanding some need of rain in a portion of the western grain area, principally that part just north of the boundary, the country is going to have a big grain crop."

W. H. Dunwoody on Fishing Cruise

Wm. H. Dunwoody, chairman of the board of the Northwestern National, director in the Great Northern road, is guest of James J. Hill aboard his yacht which is on the annual fishing cruise off the coast of Labrador, a trip to last another week yet. First reports from the cruise were in a telegram from Mr. Dunwoody reading: "St. John's river, via Quebec—One hundred and twenty salmon taken so far. Total weight 100 tons." Mathematically speaking, 100 tons is 20,000 pounds, or 17 pounds for each salmon. On a 100 reel and rod, the Great Northern

and banking magnates are suspected of having great fun.

A. L. Herring, former cashier of the Havre National, Mont., has been indicted on the charge of making false reports.

Big Volume of Trade

"I came back convinced that there is opportunity for a record volume of trade between Minneapolis and western Canada. Automobiles are so numerous in the West that one marvels at them, and most of the cars that I saw moving about were American made. One man in Saskatoon, who is a flax farmer on a large scale and who had a fine crop last year that is said to have brought him \$75,000, has the latest and finest machine in that city, and he is but a type."

May Have to Borrow

With \$1,000,000 on hand Minnesota may have to borrow money to run itself, because an old law prevents overdraft of more than \$600,000 on the current revenue fund and July 1st this was already \$569,710. Unless the counties come forward at once with June collections Treasurer Walter J. Smith may seek his "uncle." The cash balance in all funds June 29th was \$1,351,873, which the state treasurer can't use. A year ago the state had a cash balance of \$2,228,257, but this was reduced by disbursements resulting from legislative appropriation.

Paving Bonds

St. Paul has arranged the form for its bonds and certificates to be sold for financing paving on Fourth and Fifth streets. It is believed there will be no trouble to find a market for the certificates. They may bear as high as 6 per cent. The tax levy certificates, which bear only 4 per cent, have been oversubscribed locally. These latter certificates, to anticipate tax receipts, are to take place of those which expired June 15th, and were ready for delivery July 1st.

Minneapolis Has Fine Showing

With its largest half-year business and the greatest July 1st dividend payments, Minne-

apolis closed banking business June 30th. Cash disbursements and savings bank interest exceeded \$1,000,000. The bank clearings at \$487,759,790 exceeded the half year of 1911 by \$17,110,032, which the bankers say are unusual for a presidential year. For the banks that pay dividends July 1st the record is:

Name	Rate	Total
N. W. National Bank.....	2½	\$75,000
Minn. Loan & Trust Co.....	1½	15,000
First National Bank.....	2½	50,000
Security National Bank.....	4	40,000
St. Anthony Falls Bank.....	3	6,000
German-American Bank.....	4	8,000
East Side State Bank.....	3	3,000
Union State Bank.....	4	4,000
Merchants and Manufacturers....	3	3,000
Central State Bank.....	5	1,250
Minneapolis Steel and Mach. Com-		
pany Preferred stock.....	3	17,500
No Am. Tlg. Co.....	3	30,000

These payments aggregating \$252,000 represent some quarterly and some semiannual disbursements. Savings banks with \$26,500,000 on deposit are paying on quarterly interest at the annual rate of 3½ per cent, \$198,750. Much of the Twin City Rapid Transit 1½ per cent on common and 1¾ on preferred, a total of \$385,000, will be distributed in the Twin Cities.

Minneapolis clearings for the first six months of 1912 total \$487,759,790.69, an increase of \$17,110,031.62 over the corresponding period of 1911. "The business outlook is all right," said E. W. Decker, president of the Northwestern National. "We have more business than we had for the first six months of 1911, and reports show that crop prospects are very good all over the Northwest."

E. H. Bailey on Northwest Conditions

Northwestern prosperity is outlined by bankers in brief as follows: E. H. Bailey, president St. Paul First National: "On the whole the outlook presents a hopeful aspect, and we have reasons to believe the promise will be

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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Boston
Detroit

fulfilled. The present condition of crops offers most excellent promise of good trade conditions throughout the Northwest. With the promise of good crops, strong trade conditions are always reflected in all lines of commerce. The present outlook could not be better, and every one is looking forward to one of the most prosperous years in the history of the Northwest. The three or four hundred country banks with which we have connections always reflect conditions locally and from the reports received so far everything tends to a most optimistic view of the future."

St. Paul Banks Prosperous

Bank clearing gains in St. Paul are indicated in the table of clearings by months for the semiannual period of 1912 and 1911.

	1912	1911
January	\$43,587,752	\$41,987,103
February	44,087,933	36,552,849
March	54,504,056	50,333,359
April	42,647,251	42,262,712
May	42,882,673	40,827,611
June	44,864,088	42,683,160

Totals \$272,573,753 \$254,646,794

"The banks have been fairly prosperous," said W. A. Miller, vice-president of the First National Bank. "They have made satisfactory earnings and the outlook is splendid for summer and fall."

Banking Notes of Interest

Creditors of the First State of Bowlus, Minn., will get a second dividend of 20 per cent, making a total of 53 per cent. Another dividend of 22 to 27 per cent is possible. C. Rosenmeier is said to have realized well on the assets of the bank.

E. C. Cooke, president of the Minneapolis Trust Company, has been elected director of the First National Bank, succeeding W. D. Douglas, who went down in the Titanic. He became trust officer and director on the Trust company in 1895 and president in 1898.

Clearings in the St. Paul banks for the week ending June 27th maintained the high record of increase for other weeks. The total was \$587,000 more than the similar week for 1911. The total for the month was \$42,911,914, as against \$39,353,603 for June, 1911. George C. Power, president of the Second National, said: "We are looking toward the fields. The thing that interests us most is getting a big harvest."

FLETCHER SAVINGS AND TRUST COMPANY INCORPORATED

The new Fletcher Savings and Trust Company of Indianapolis, formed by the consolidation of the German-American and the Marion Trust Companies, has been incorporated with a capital stock of \$100,000.

NEW BANK FOR EDGEWATER

Chicago is to have a new outlying bank to be known as the Edgewater State Bank, with a capital of \$200,000.

Chapter News

CLEVELAND CHAPTER WINS DEBATE

Sandusky, Ohio, July 3.—Cincinnati and Cleveland Chapters of the American Institute of Banking at the Ohio Bankers Association at Cedar Point late this afternoon debated the question: "Resolved, That national banks be permitted to loan on real estate mortgages." Cleveland won, securing three-fourths of the required points on argument, to Cincinnati's one-fourth for delivery. The Cincinnati team had the negative side of the question debated. The judges were William F. Schroth, Tiffin; P. J. Moody, Lima, and John Winger, Springfield.

MADE MEMBER MISSOURI BANKERS ASSOCIATION

At the recent convention of the Missouri Bankers Association the Missouri chapters of the American Institute of Banking were formally made members of the association, each chapter to have a representative same as any bank. Frank C. Ball, safe deposit officer of the Mississippi Valley Trust Company and president of the St. Louis Chapter, was a special representative at the convention, presenting the proposition of his institution, which was acted upon favorably. Mr. Ball is serving his second term as president of St. Louis Chapter, and is a hard worker in the organization which is such a valuable adjunct to banking institutions in the way of imparting knowledge to the employees and making a great ground work for financial progress in them.

SACRAMENTO CHAPTER INSTITUTED

Sacramento Chapter, American Institute of Banking, has been instituted in Sacramento with about seventy-five members. The Sacramento Clearing House Association has offered to finance the new chapter, which is the fourth chapter in California. The other three are located in San Francisco, Oakland and Los Angeles. Delegates representing San Francisco and Oakland chapters attended the instituting of the new chapter.

TO TEACH PUBLIC THRIFT

The savings bank section will shortly take up the educational campaign proposed at Briarcliff that the public may learn of the advantages of a savings account. E. G. McWilliam, the secretary, will be glad of suggestions made by experienced bankers. Send in your ideas in a brief letter.

Dominion Bank of Canada has just opened its fourth branch office in Edmonton, with A. D. Miller, formerly accountant at the main office, as manager. Since coming to Edmonton, the bank has kept pace with the rapid and substantial growth of the city and it is building up a profitable business.

INDIANA BANK WRECKER CAPTURED

Howard B. Harter, who wrecked the Citizens Bank (a private institution) of Akron, Ind., last November, through unlucky speculations on wheat, was arrested Thursday, charged with embezzlement of \$24,500 of the bank's funds. The bank was founded by Harter's father in 1902. The younger man was cashier at the time the doors closed, due to the discovery of his peculations.

Harter was arrested at the Hannah & Hogg Hotel, 214 South Clark Street, where he had been living for some time.

H. A. PEARSONS RETIRES

H. A. Pearsons, who for forty-seven years has been at the head of the Pearsons-Taft Land Credit Company, has retired. He has sold his interests to H. L. Taft and O. E. Taft, and to various employees and clients of the company. The withdrawal of Mr. Pearsons from the business will cause no change in either the management or the policy of the company. As a result of this change the Taft family and the employees of the company will own about 75 per cent of the \$200,000 capital stock of the corporation.

The late D. K. Pearsons established the company in 1865. Later the company became known as Pearsons & Taft. In 1878 D. K. Pearsons retired. The present corporation was formed under the banking laws of Illinois in 1887. The officers are: Oren B. Taft, president; H. A. Pearsons, vice-president; Oren E. Taft, second vice-president, and Harry Lee Taft, secretary and treasurer. Under the change H. A. Pearsons drops out as vice-president.

The directors consist of the three officers remaining and L. K. Boisen and L. G. Cullen. The two latter succeed H. P. Pearsons and H. A. Pearsons, leaving one vacancy on the board.

John R. Washburn

John R. Washburn, assistant cashier of the Continental and Commercial National of Chicago, recently has returned from a trip to the Pacific Coast country.

STATE BANK DEPOSITS UP

The condition of state banks in the city of New York as of June 14, 1912, as shown by their official statements to the superintendent of banks, shows a marked expansion in total loans, as compared with the last previous call of March 21st. Aggregate deposits show an increase of \$16,830,600. Total profits decreased \$30,300.

NEW CHICAGO BANK

The Kedrick Trust and Savings Bank soon will be organized in this city with a capital stock of \$240,000. The incorporators are Moses, and Herman K. Schiff.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

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OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Seattle, Wash., July 2.—Seattle banks held \$79,070,356 in deposits at the call of June 14th, a decrease of \$862,683 between the last two calls. Loans were increased \$1,042,241, amounting on June 14th to \$47,173,476. At the June call of last year deposits amounted to \$75,586,300, and loans were \$46,238,653. The total deposits for the last call were the next highest in the history of Seattle banks; the only time the present record having been exceeded was at the April call of this year.

J. W. Spangler

J. W. Spangler, vice-president of the Seattle National, and secretary of the Seattle Clearing House Association, addressed the national convention of the American Society of Civil Engineers which convened for a four-days' session on June 25th, in the ball room of the Hotel Washington. Other speakers were Governor M. E. Hay of the state of Washington, and George F. Cotterill, mayor of Seattle.

In speaking upon the relations between the banker and the civil engineer in their respective professions, Mr. Spangler stated that the co-operation of both are necessary, that the undertakings of the civil engineer may eventuate. He further said that there is no professional opinion to which the banker attaches more importance than that of a first-class civil engineer. "When we come to the point," he said, "of deciding whether or not we shall risk upon a given proposition, the money entrusted to us, no last word is more valuable than your own. So high is the standing of your profession that I can say no less than to express the hope that our own may never fall below your standards. The hand and wisdom of your profession has found, and will, in the future, find large opportunity in this far western country, upon which a kind Providence has bestowed so many blessings, in the form of natural resources, the development of which we cannot hope to accomplish without your aid."

Bill Before Legislature

State Examiner Mohundro, of Washington, is advocating action by the next legislature of the state, which will make it impossible for promoters to organize fake corporations and sell the stock to uninformed people. He has been working on this measure for some time, and now he believes he has completed a bill which will, when passed, have the desired effect, and unless the company can show that it has assets which impart some value to the stock certificates, the promoters will be subject to a penalty. He has devised a plan similar to the one now in force in Kansas. He is also working on a plan to compel all private banks to be under the supervision of the state banking department to prevent failures similar to the recent one at Kettle Falls and Republic.

M. A. Fitzimons, cashier of the Bank of Ironwood, Mich., which recently closed its doors has been charged with embezzlement of twenty counts. Bail was fixed at

CALIFORNIA BANK DEPOSITS

Sacramento, Cal.—There is on deposit in the banks of California \$8,675,840 of state funds, according to a statement issued recently from the state comptroller's office. The money is in 195 banks in all parts of the state. The largest single deposit is \$700,000 in the Bank of California, San Francisco; the lowest is \$2,500, with the First National Bank of Concord.

BUYS CONTROL OF VALLEJO BANK

Vallejo, Cal.—W. K. Cole of San Francisco has purchased from Geo. W. Wilson a controlling interest in the Vallejo Commercial Bank, and has been elected president of the bank. Wilson retains an interest in the institution and the office of vice-president. Mr. Cole, the new president, has been a resident of San Francisco for fifteen years. For several years he was cashier of the Mint, and was one of the founders of the Anglo-California Trust Company. He has recently sold his interest in this bank. He is also interested in several other banks in Contra Costa county. Mr. Cole will make his home in Vallejo.

WILL TOUR WESTERN CANADA

Thirty representative business and professional men, including the heads of several banks, will visit Edmonton, Alta., on July 16th on a tour of western Canada under the auspices of the Chicago Association of Commerce. The party will travel in a special train, leaving Chicago early the morning of July 10th and returning home on July 20th, after making stops at Winnipeg, Regina, Banff, Calgary, Edmonton, Saskatoon, Moose Jaw and St. Paul and Minneapolis. H. F. Miller, business manager of the Chicago Association of Commerce, said in Edmonton on June 22d when he was entertained by H. Milton Martin, president of the Edmonton Board of Trade and, and Mr. Jennings, chairman of the Citizens League, that the purpose of the tour is to acquaint Chicago business men with the opportunities in Alberta and the neighboring provinces for the investment of capital and the establishment of industries, also to show them the possibilities of diversified agriculture in the Edmonton country.

"Edmonton is one of the most active and wide-awake cities it has been my good fortune to visit on my western trip," Mr. Miller said, "and it appears to be conscious of its great future. Its progress in construction work, amounting to more than \$5,000,000 in actual building the first five months of 1912, is not only remarkable but bears out the estimate of \$12,000,000 for the year. The establishment of small factories in the city of Edmonton is another thing that appealed to me strongly, and continued activity along that line and railroad construction will do wonders for the city. I noted, too, there is more than ordinary activity in the development and settlement of the tributary country, where the newcomers, many of them from the central and Pacific and inter-mountain states and others from Europe, are introducing mixed farming, including dairying and poultry raising. The people seem to be generally agreed that exclusive wheat farming in Alberta as elsewhere is a speculation, while diversified agriculture is a business."

The party will spend an entire day in Edmonton, visiting the financial, industrial and commercial districts in the morning. The board of trade will entertain at a noonday luncheon, after which the visitors will view from automobiles the residential portions of the city, the provincial parliament buildings and the grounds of the University of Alberta. Lieutenant-Governor Bulyea will welcome the Chicagoans on behalf of the province of Alberta, the address for the people of Edmonton being given by Mayor George S. Armstrong. President Martin will speak for the business interests of the city.

The First State of Ironton, Minn., has \$10,000 capital, and has been incorporated by H. R. Thorson, Drake, N. D.; H. Sampson, Elbow Lake, Minn.; G. A. Anderson, Crosby, Minn.; M. B. Ellingson, and J. B. Mattson, Ironton.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Washington Solving Her Agricultural Problems

In another half decade agriculture will be taught as generally in the public schools of Washington as arithmetic or history. In another decade it will be taught not only as generally as arithmetic or history, but it will be taught as well. The trend of education is irresistibly toward the practical. Industrial, physical and moral efficiency is the aim of the modern school. The twentieth century graduate must not only be good, he must be good for something.

The new education fits the boy and girl for definite work. This is the explanation for the addition of such courses as household arts, manual arts, agriculture, animal husbandry, and many other courses in applied science. The contents and method of education are undergoing a revolution. This does not mean that education is to be merely a bread and butter affair, and that every school is to be a trade school. It means rather that the youth of the land are to be taught to use their hands and their eyes as well as their heads. It means that manual labor will be dignified. It means that we are attaining a new conception of culture. We have come to realize that there is as much genuine culture in solving the problems of old mother earth as there is in solving the problems of the heavens. Culture consists in the recognition of a problem, the ascertaining of all the known factors regarding it and the possession of brains and grit enough to solve it. The man who can discover a method of eradicating the dandelion, or of eliminating smut in wheat is no whit less a cultured man than the man who can merely read a page of Latin or solve a problem in geometry. Let me emphasize the statement that the modern school is not and will not be merely a trade school. More than ever before the children of the land are being given an education for enjoyment, and an education for citizenship. Music, drawing, art, literature, personal hygiene, play for its own sake, receive more attention than ever before in the history of education. Further, greater stress is being placed upon education for citizenship than at any previous time. History, sociology, current public questions are given each succeeding year greater attention. This trinity—education for efficiency, education for enjoyment, education for citizenship—are the ideals of the modern school. It has been possible to provide this broader education for efficiency, for enjoyment and for citizenship without increasing the time devoted to school work, very largely by the elimination of waste material. In arithmetic, in physiology, in grammar, and in fact in every subject, the purely theoretical and the abstruse have been eliminated. The modern arithmetic, for instance, is a book not more than half as large as the book in use a quarter of a century ago, and will grow smaller instead of larger with succeeding years. By the elimination of waste material, by better arrangement of subject-matter, it has been found possible to make ample provision for the practical work now forming so large a part of the curriculum of the public schools. Manual arts and household arts are taught in most of the public schools in this state. Agriculture, horticulture, animal husbandry will soon follow. The problem of industrial training in this state is fairly well solved. I wish to discuss the status of the rural school with special reference to agriculture to show, first, what has been accomplished; and second, what remains to be done.

There has been almost a complete change in

Henry B. Dewy, Superintendent of Public Instruction, predicts that in five years it will be taught as well in the schools as arithmetic and history now are taught. Bankers doing a great work for the state

public sentiment with reference to the teaching of agriculture. Only a few years ago farmers scoffed at the idea of teaching agriculture in a school. They felt that they were themselves quite able to give instruction needed. There was a general opinion that farming was a matter of brawn and not brains. Teachers opposed the introduction of this subject on the ground that it would lower the dignity of the profession. All in all there was practically no public sentiment in favor of teaching agriculture in the schools. To-day as the results of the object lessons of the state college, of the work of the department of agriculture at Washington, and of the agitation by progressive educators, there is a definite irresistible demand on the part of the general public for agricultural education. This demand is not confined to rural communities. We find city school boards besieged by parents to offer work along this line. The public are convinced. What they want now are results.

Consolidation of rural schools has now become a nation-wide movement. Probably as much has been accomplished in this state as in any state in the Union with the possible exception of Indiana and Massachusetts, and yet we are far from having solved the problem of the small rural school. There are still in this state two thousand one-room schools out of a total of approximately twenty-seven hundred districts. We have sixteen hundred districts with an average daily attendance of fewer than twenty pupils. In the small school it has been found practically impossible to get the best results. The older pupils do not remain long enough to secure the training that makes for efficiency. Consolidation and transportation of pupils to a central school has in many instances proved satisfactory. At the present time we have nearly two hundred consolidated districts representing four or five hundred of the original small districts. The children attending these districts have the advantage of a graded school with the possibility in many cases of high school training.

Demonstration farms should be maintained generally throughout the state under the supervision of the state college, and the men in charge of them should be available for the assistance of public school teachers. In the current number of the *World's Work* is a tabulation of results showing the difference in the various states between the output of farms managed under demonstration methods of the Federal Bureau of Agriculture, and adjacent farms not so managed. These statistics show that corn under demonstration methods averaged in twelve states more than twice the number of bushels per acre secured under the ordinary methods of cultivation. The average person whether child or adult learns to do by doing. It is vastly more important to see what some one has done than to hear about what he has done. Actual demonstration will do more towards solving the problem of increased production than any amount of additional talk.

The greatest difficulty to-day in having agri-

culture properly taught in the schools is the fact that teachers are not prepared to do the work. There is scarcely a teacher in the public schools to-day who had any training in agriculture during his high school course, and very few had even a limited training in the normal schools or the university. The subject is new in the curriculum. They do not understand it. Before agriculture will be as well taught as arithmetic or geography, we must have teachers whose preparation has been ample. They must know the problems of the farm, and be able to assist in their solution. A beginning along this line was made by the state board of education in 1907 by a requirement that the normal schools of this state give instruction for at least three semesters in the subject of agriculture. Last year there were 360 prospective teachers who took agriculture in the normal schools of Washington. Despite this seemingly satisfactory showing, I do not think that even yet the normal schools are doing as much as might be done to prepare teachers to handle this subject satisfactorily.

A determined effort is being made at the present time to assist teachers already in the corps to make some preparation for doing this work by offering instruction at the summer schools now so generally maintained in this state. About two years ago the state college began offering courses for teachers wishing to make some preparation for the work of teaching agriculture. The attendance and interest proved exceedingly gratifying to the instructors.

May I say in conclusion that I wish to express the appreciation of the teachers of the state for the active interest which the bankers association is taking in this matter? While I have never thought it was incumbent upon the bankers to raise the fund which you have undertaken to raise to further the efforts now being made for industrial training, I am sure that it cannot be other than helpful. It will hasten the day when definite results will be secured. It seems to me that the members of the association, not primarily as bankers but as citizens should co-operate in securing the passage by congress of the Smith-Lever bill, and the Page bill; of securing the establishment of many demonstration farms throughout the state under the supervision of the state college; in securing such a modification of the entrance requirements of the state institution that full recognition will be given for all work done in agriculture or manual arts; in assisting the state department in securing one or two supervisors in rural school education; in making provision for additional special training at all state institutions for teachers of agriculture and in opposing the establishment of separate agriculture schools.

Finally, I wish to repeat the sentence which I used at the opening to the effect that in another half decade agriculture will be taught as generally in the public schools of Washington as arithmetic or history, and in another decade it will be taught not only as generally as arithmetic or history, but it will be taught as well.

CONDITION OF BANKS IN SPOKANE

Spokane, Wash.—Statements issued by Spokane banks in response to the call of the comptroller show total deposits of \$32,318,325. Surpluses and undivided profits have increased over \$100,000 since the last call. Cash on hand totals \$12,769,926.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Organization has been completed of a \$1,000,000 trust company at Hillsboro, Texas, to be known as the Colonial Trust Company. The officers are: President, G. L. White; vice president, G. B. Reynolds; secretary, Ed. [unclear]. The company was financed by lo-

Des Moines, July 3.—National bank deposits in Iowa will show up splendidly in the cities of Iowa, but there will not be such a good showing, relatively, from the country. This is the opinion of Des Moines bankers since the last call was issued by the comptroller. The demand for money seems to be streaked throughout the state. This is partially due to the comparatively poor crop in some sections of the state last year, and to the constant increase in demand for Iowa land. Iowa land is soaring, and there is no end in sight despite the tremendous outpouring of Iowans to the Northwest the past few years. The demand in this state continues to be remarkable, and \$200 per acre is no longer considered an extraordinary sale price. The outlook for the Iowa crop this year is splendid. The rains have been right and sufficient. Small grain is pronounced to be first class in every respect and corn, while not so large as often at this time, is sturdy and in excellent condition. The latter crop is somewhat slow because of the cool summer, but experts assert that there is no reason to doubt any serious delay in maturing. And the stand is declared to be first-class. There is no reason to expect other than bumper crops this year, and Iowa is facing continued prosperity, politics, third parties, fall elections, etc., to the contrary notwithstanding.

Calls Attention to Warnings

Secretary Hall of the Iowa Bankers Association calls attention to carelessness on the part of bankers relative to the warnings which the department has been sending out in the past against forgers and bogus check "shovers." In fact, Secretary Hall has decided to issue no more warnings unless the case be extraordinarily bold. "These warnings cost money," said Secretary Hall, "and apparently little attention is paid to them. It is a positive fact that I have sent out warnings and descriptions of forgers only to have a bank report a visit from one of the fellows I have described within two weeks after my warning was received—and that without knowing that we were after him." The secretary says that bankers should carefully read all communications from him, and especially the warnings which are to be issued as hereafter the cases will be only of the larger swindles.

New Bank for Keokuk

Announcement is made that a new \$100,000 bank is to be organized at Keokuk with E. A. French of Waterloo at the helm. Mr. French has resigned as assistant cashier of the Black Hawk National at Waterloo, and has gone to Keokuk to begin active work on the project. Some years ago, Mr. French was connected with the Central State Savings at Keokuk. Later he was cashier of the Bank of Collins, at Collins. He has been at Waterloo for three years, and has made good. Keokuk has taken on a wonderful industrial boom since the completion of the dam across the river, and Mr.

French regards it as one of the cities in Iowa in which another bank will be a splendid institution.

S. T. Shade in Des Moines

President S. T. Shade of Rock Rapids was a visitor in Des Moines, Monday. President Shade came to confer with Secretary Hall relative to plans for the continued growth and prosperity of the Iowa Bankers Association this year. The ever-present time-lock question was up for discussion. Plans for systematic boosting of agricultural activities in Iowa were gone over and arrangements were made for boosting various features of the association work which it is believed will do much to augment the prestige of the organization. Detailed announcements will be made later.

Forgers Busy

Louisville, Kentucky, seems to be a favorite location for the forgers who travel in Iowa, as four out of every five forged checks that are passed upon Iowa banks are drawn upon institutions at Louisville. The latest was reported from Burlington, where a chap giving the name of W. T. Lane produced three checks drawn upon a Louisville institution for \$100, \$150 and \$200 each. He was clever enough not to try to cash the checks, but he left them as security with a well known Burlington bank, and secured a small advance. He then disappeared and the bank discovered the checks were bogus.

Collateral Inheritance Tax

Once again the famous collateral inheritance tax case of one Almiron Culver is in the Iowa courts. Several years ago Culver died in Kansas leaving \$10,640 on deposit in an Iowa bank. State Treasurer Murrow determined to collect the collateral inheritance tax on this sum, but this was opposed and the case was taken into the courts. The attorney-general is working on the case because there are parallel cases arising in Iowa, and a judicial ruling on every possible point is desired. The latest round was fought at Council Bluffs on demurrer, but the ruling has not yet been handed down.

Tax on Earnings

Revenue collectors have been making the rounds in Iowa informing the national bankers that the custom of paying the taxes on stock held by stockholders and deducting the amount from the net earnings does not "go" with Uncle Sam any more. National banks are required to pay a federal tax of 1 per cent on their net earnings above \$5,000. The custom has been in vogue in Iowa of paying the taxes and deducting the amount from the net earnings, but as this reduces the earnings, the tax is correspondingly reduced and Uncle Sam thinks he is losing money.

16 Per Cent Dividends

The Scott County Savings at Davenport has placed the capital stock of the institution on a new basis, and will hereafter pay dividends of

16 per cent. Heretofore they have been 14 per cent. Every four months, a dividend of 4 per cent will be paid. The first was due the first of July. The bank is capitalized at \$250,000. Davenport is one of the most prosperous cities in Iowa for the banker as this item bears witness. The German Savings of Davenport also pays a 4 per cent quarterly dividend.

Death of G. H. Reinicker

George Herr Reinicker, one of the wealthy citizens of central Iowa, died at Webster City last week, leaving an estate worth \$1,500,000. Much of the property is in Iowa and Minnesota real estate. Reinicker was unmarried, and had always been considered somewhat eccentric in the methods by which he accumulated and handled his fortune.

Iowa Farmers Purchase Automobiles

If owning automobiles is an indication of prosperity, score another for Iowa. Secretary Ralph Bolton has it figured that there is now one automobile for every sixty residents of the Hawkeye state. Registration figures at the state house show that there are more than 37,000 machines in the state, and that this summer they have increased at the rate of 200 per day. The proportion is heavier outside the cities for in Des Moines there is one machine to every 100 people. The figures show that it is the Iowa farmer who is the heaviest purchaser.

Banking Notes

Gustav Diedrick, Sr., of Avoca died last week at Frankfort-on-the-Main, Prussia, of heart failure. He was on a pleasure trip to the old country, when the summons came. Mr. Diedrick was vice-president of the Avoca State Bank, and for thirty years had been prominent in the business and political field in that vicinity. He served in the legislature for a time. He has five children surviving, all of whom reside in Avoca.

Frank P. Flynn has been the busiest banker in Des Moines the past few days. He has been handing out the cigars during the day-times, and walking the floor with a handsome son—the first—at his home during the nights. Mr. Flynn is vice-president of the Peoples Savings, and his many friends are extending congratulations over his first son.

Henning Scoulberg has succeeded George C. Hyland, resigned, as cashier of the First National at Akron.

The building for the Northwest Davenport Savings has been delayed by the failure of the contractors to secure the stone and the steel beams. It was expected to open the institution in its new home July 1st, but it is now announced as September 1st.

Arthur R. McConnell, president of the First National at Garden City, S. D., was married recently to Miss Harriet McGregor at the home of the latter's parents in Grand Junction. It was a happy affair.

Emil M. Hugg, assistant cashier of the Crawford County State at Denison, was married recently to Miss Amanda Schnoor at the latter's home in that city.

Charles McDonald of the Bayard Savings has bought a controlling interest in the Coon Rapids National according to reports which have reached Des Moines.

The German Savings has been organized and duly launched at Gilbertville with a capital stock of \$15,000. The institution was organized at a public meeting, which was attended by representative business men and farmers. J. B. Dietrick, cashier of the Security Savings at Waterloo, called the meeting to order and presided. The officers might be termed a case of Joseph and Jacob for Joseph Reuter is presi-

dent, Joseph Mangrich is vice-president and Jacob Shares is cashier. Gilbertville has never had a bank although many towns of its size in Iowa have two.

The new State Savings at Lynnvile, which C. A. Williams has been prominent in organizing, has applied for a charter.

The First National at Newell has been granted a charter, and will commence business with a capital stock of \$25,000. J. M. Brooks is president; L. F. Parker, cashier.

The Bank of Rockwell has now reorganized, and will be known hereafter as the First National of Rockwell. The capital stock has been increased to \$25,000. G. H. Felthouse is president; F. C. Siegfried, cashier, and W. B. Bruce, M. Dexter, and W. A. Grummond, directors.

The Farmers State at Rockwell has renewed its capital stock to June 1, 1832. The capital stock is \$25,000. G. H. Fuller is president, Mathias Johnson, vice-president, and James E. Treston, cashier.

The Melbourne Savings at Melbourne has filed articles increasing its capital stock from \$11,000 to \$16,500. George DeButts is president and J. H. Bagley cashier.

The Farmers Savings at Dolliver has filed articles of incorporation with the secretary of state. The capital stock, \$10,000. E. M. Evans is president; J. A. Hyer is vice-president; B. L. Clark is cashier.

Recently one of the city banks at Clarinda was surprised to find that a deposit of \$300 which has been there for twenty-nine years had apparently been overlooked. The amount has grown to \$1,100.

The Farmers Savings at Center Point has filed articles with the secretary of state giving a capital stock of \$15,000. S. W. Snyder is president, W. B. Fee is vice-president, and H. L. Bilsborough, cashier.

The Ida Grove Exchange has completed contracts for a new building, which it will construct to be used as a postoffice.

Sioux City

By JOHN J. BIDDISON.

"Great corn weather," the farmers and the grain dealers are telling Sioux City bankers and their correspondents in the country. Crop conditions generally are well nigh ideal at this hour, although there are scattered sections in South Dakota that show signs that a rain would be welcome. Small grain that got an early start is now practically made and promises a bumper crop. With this encouraging outlook, the presidential turmoil is a matter of only secondary consideration, even though it does furnish the principal topic of conversation, and the banking business continues to "saw wood." Conditions are normal and healthy. There is a fair demand and money is easy. Bank clearings are holding up well, considering the weather, since the actual arrival of summer has stimulated the retail trade, that had a slow start. Last week's clearings were \$3,002,158.04; for the month, they were \$12,471,090.89.

Cashier of Shelton, Nebraska, Bank Gives Himself Up

After J. H. Spicer, father of Cashier E. H. Spicer, absconding officer of the Shelton (Neb.) National, had turned over to the bank \$25,000 in cash, representing most of the savings of a lifetime, for the sake of clearing his name of stigma, the young man returned from hiding and gave himself up to the officers of the state. He was formally charged with forging checks to the amount of \$25,000, pleaded not guilty, and was released under

\$5,000 bonds. The pleas of his wife and children are said to be responsible for his return after he had fled ten days ago, going to St. Louis, Indianapolis and Chicago. The father had to place a mortgage on his real estate holdings in order to put up the cash. Young Spicer is 27 years old. After graduation from high school in his home town, he entered the drug business with his father, but, disliking it, left it to take a place in a bank at Hastings, where he was phenomenally successful. He had bought four automobiles in the last few years.

H. H. Stedman and H. C. Hanson, of Shelton, and V. L. Johnson, of Heartwell, Neb., have purchased a controlling interest in the bank and will continue the business.

Banking Notes of Interest

A. B. Calahan, cashier of the First National Bank of Miller, S. D., was married last week to Miss Alice Carroll, daughter of Judge Carroll.

The marriage has taken place of Miss Norma Haugen, daughter of Congressman G. N. Haugen, Mason City, Ia., and J. O. E. Johnson, cashier of the First National Bank of Norwood, Ia.

The two banks at Harold, S. D., have consolidated and will be operated under the name of the First State Bank. The field was too limited for two successful institutions.

The Farmers Bank, of Garden City, S. D., has been incorporated with the following stockholders, all of Garden City: C. E. Hayward, F. E. Gibson, Emil C. Voight and John Zugschwerdt.

The Aberdeen (S. D.) National Bank is about to begin construction on its fine \$75,000 building, which will be 50x100 feet, of steel and concrete, with terra-cotta front and highly ornamental columns flanking the entrance. All of the building will be occupied for bank purposes except a suite of rooms on the second floor.

Among the Visiting Bankers

A. Hanson, cashier of the First National, Oelwein, Iowa, was in Sioux City Wednesday on his way from a Nebraska trip. Geo. L. Schoonover, president of the Anamosa (Iowa) National, was in Sioux City Tuesday looking after his large farm near this place. John D. Haskey, president of the Farmers National, Wakefield, Neb., spent Thursday afternoon with his friend, John McHugh, of the First National, playing golf at the Country Club. V. J. Fetzner, cashier of the Tripp County State, Colome, S. D., was in Sioux City Friday. Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was in Sioux City on business Monday. I. S. Large, president of the First National, Rock Valley, Iowa, was in Sioux City Tuesday.

NORTHERN STATE BANK

Northern State Bank of Grand Forks, N. D., under the last call shows deposits of \$793,453.82. C. W. Ross, who formerly was connected with the old Commercial National of this city, is cashier of this enterprising institution. E. J. Lander is the president. The bank in its statement announces its willingness to place its services, facilities, strength and security at the disposal of its patrons.

CURRENCY SHIPMENTS BY REGISTERED MAIL

A. P. Coles, John K. Ottley and Jos. A. McCord, of the Georgia Bankers Association, were appointed a committee to investigate the shipment of currency by registered mail to see if the association could not secure a more advantageous arrangement than at present for insuring such shipments.

Fred I. Kent at the Ohio Bankers Convention

Fred I. Kent, vice-president of the Bankers Trust Company of New York, spoke this week at the convention of the Ohio bankers, choosing as his subject, "Twentieth Century Commerce and Its Regulations." After detailing the various conditions surrounding the development of our commerce, he touched upon the question of legislative investigation of business, saying:



"The introduction of politics into business always is attended with serious reactions, which inevitably bring suffering to the poorer classes. Business of any kind when subjected to legislative investigations carried on as they must be because of the way in which they are brought about, is apt to be injured seriously. It does not matter whether a congressional investigation is put into the hands of a conservative committee or is handled by some individual who has offered a resolution calling the committee into existence, it usually develops into a mere muckraking proceeding. Human nature, which is just as virulent in congress as out of congress, demands that it should be so. When a man in order to bring himself before the public offers a resolution which results in the creation of a committee, of which he is the head, to investigate some condition which he thinks would be of value to him before the people to have shown up, his every energy naturally is turned toward proving that his case is a good one, and that he was justified in calling forth the investigation. Instead, therefore, of the business which is under investigation having an impartial judge protecting its interests while it is under fire, it is obliged not only to prove its case, but to down prejudice against it, and then what is still more difficult, to obtain a verdict from a self-constituted judge which is absolutely opposed to his own interests, and which contradicts public statements previously made by him. The result is that all those who may have been driven out of the particular business, whether through their own dishonesty, inability or otherwise, are called upon or allowed to testify, and their statements are given the greatest credence. Many of these investigations are aimed to bring out information concerning something which may have happened a number of years previous. Then the whole proposition comes down to a memory test, and things are asked of men which are impossible. For instance, in considering the conditions which developed in the panic of 1907, no man can by any mental jugglery put himself in the exact condition of mind which he held at a particular moment at that time. He cannot differentiate between that which he knew before the particular moment in question, and that which he found out since. The result is that when men are put upon the stand and asked to explain certain actions, it is impossible for them to do so. They cannot tell whether the conditions which had developed at the pe-

Distinguished New York Financier takes an unusual position in regard to legislative investigations and has original ideas on the difficulties presented by the situation

riod in question or soon after were known to them or anticipated by them when they reached the decision which resulted in the action that is under investigation. It is equally impossible for the man who is opposed to such a witness to state his position at the time under consideration, whether he honorably wishes to do so or not. Of course it is to the interest of one party to uphold his own action, and the other to decry it. In either case, however, can any fair judgment be arrived at as to whether the parties acted honorably and properly at the time? Whether subsequent events showed that some action was ill advised, and should not have been taken, has no bearing whatever upon the question of motive which may have induced the decision. In times of panic men of power act, and it is fortunate for the people that they do so. Even if later it appeared as though some other action than that taken might have worked out better, yet there is no way of proving it, for the course of events would have been changed and more serious results might have been encountered. While it is proper and right that all of the conditions surrounding a given panic be studied, yet a general airing of men's memories as to their sequence of thought at the time only leads to chaos and makes it impossible for those who read the evidence to get any real idea of anything which occurred. The result can only be injustice, and should a similar serious situation develop in the same generation, it would add another element of doubt and fear as to what to do on the part of those who were obliged to meet the brunt of the difficulty. Again, when a matter has been given to a special committee to investigate, while the chances of fairness are somewhat greater yet prejudice may easily develop. When the

members of the committee meet with opposition in obtaining facts which they may think pertinent to the inquiry, but which may be unfair to bring out, it is only natural that they should try and bring pressure to bear in order to uphold their dignity and prove that they were right in asking for the information. The committee, therefore, gradually sides over against those whose actions they are looking into. This is the easier way to do also, because it is generally supposed that a verdict against the business interests will be more popular. Investigations of a certain kind are valuable to congress in helping it draft legislation, but they should be carried on in a most careful manner, without sensationalism of any kind. The public in the meantime should be able to go on in the even tenor of its way, and business should not be kept in a constant turmoil of excitement and uncertainty. While publicity is the cry of the day, and is proper in so far as facts are concerned, yet the encouragement of the unsuccessful and discontented to force themselves into the public eye to recite their tales of woes is a real menace. Again, the employment of lawyers to handle congressional investigations, who are skilled in winning cases through their sharpness in befuddling witnesses, is another serious abuse of the rights of the people. It is unfair to place business men on the stand before the general public and subject them to such treatment. When giving testimony they are always obliged to consider carefully what information it is fair and right for them to give. Much that has a bearing on private interests that they are bound to protect is valueless as far as the question of new legislation is concerned, but such matters are forced from them if possible. An inquisitive attorney trying to make a name for himself instead of allowing the man on the stand to think intelligently and give the facts which would be of value to congress, watches him like a hawk, and the minute he hesitates for any reason jumps at the conclusion that he is trying to cover up some rare morsel of scandal. The witness is then heckled and browbeaten in an effort to find out what caused the hesitation. He is at all times on the defensive, and must of necessity be so, for he is usually prejudged and found guilty and knows it. Commerce should not be regulated through any such means. High cost of living waters the seeds of discontent and encourages legislative investigations and indiscriminate criticism, but every individual who is endeavoring to improve his own position is living in the same glass house, and is equally responsible for his share of the seeming trouble. Increase in prices is repugnant to everyone, in so far as it has to do with the things which he purchases. On the other hand, no man nor set of men stops to consider this matter in connection with anything that they may be personally depending upon for their livelihood. The business man while objecting to high prices on the commodities which he buys for his home, strives to make himself better able to purchase by getting more out of his own line. Whenever he endeavors to do this through the obtaining of greater efficiency in production or distribution, it works to the advantage of all concerned, but where it goes into increased cost of the article in which he is interested, it means higher prices for some one else to pay on this particular commodity. When the men in a labor union feel the effect of the higher prices of things in general they strike for higher wages, in order to meet them,



W. F. HOFFMAN
Columbus

Chairman Protective Committee, Ohio Bankers Association

and demand all that they can get without regard to whether it forces up the price of the article they are helping to manufacture. All this is perfectly natural but leads to the conclusion that regulation of our commerce, which is in reality the regulation of the means which makes our commerce possible, should not be based on the action of men as individuals, but upon the system under which they work, and that the intent should be not to disrupt this, that and the other branch of business, but to bring them all in proper relation to each other. The farmers want high prices for wheat, corn, cattle, cotton and other commodities which they raise, and low prices for the same and other articles in a manufactured state. The manufacturing interests wish the opposite condition to prevail, and this of course, includes the majority of our laboring population. The mind poisoning trust plays one against the other with satisfaction, only to itself. This then is the first great trust which should be investigated, for it is at the bottom of most of the discontent existing in the world to-day. As the masses have come out from under the cloud of ignorance in which they have been enveloped, they have been led by this great octopus. Their eyes have been opened more by falsehood than by truth, but as their education progresses, and they begin to see the tremendous price which they are forced to pay through the constant turmoil of business brought about by their acceptance of vicious teachings, the conditions are going to improve and regulation will go forward in a more scientific and unbiased manner. It is needful, therefore, if we would take the premier position in the development of commerce with its resultant benefits to our people, that our law makers begin the study of the system of the mind poisoning trust immediately, with a view of bringing about its dissolution. Investigation of this trust should not be made a personal matter any more than in the case of any other. It is more the system itself that is at fault than the men who are in it, and the system is the result of the ignorance and action of the people themselves. The individuals represented by the reporters, editors, writers, public speakers, and others have been working under a pressure of public demand, and they have often been led on through necessity to do things entirely foreign to their wishes. Constant repetition of dishonest writing and speaking leads to self-hypnotism, and the wrong is forgotten in striving for a livelihood. The system, therefore, should be changed in such manner as to make it dangerous for that portion of the population which gives up its life to writing and speaking to knowingly or even carelessly distort the truth in order to play upon the human passions. If the work is undertaken in a scientific manner without permitting any personalities to enter into it, there is no doubt that the majority of those who are now servants of the system would be glad to do their utmost to put their life work upon an honorable basis. This is undoubtedly the most difficult of the problems which the world faces to-day, for the right of free speech must be protected, and at the same time license must be prohibited. It is a problem worthy of the best efforts of our law makers, and if satisfactorily solved they would be among the principal gainers. It would leave them more free to act as their best judgment dictated for the benefit of the country which they are chosen to govern, and would make the carrying out honorably of their oath of office a pleasure instead of a hardship. It would serve as well to simplify the regulation of all other public interests, and would be the first great step toward the real enlightenment of our people, and would lead inevitably toward contentment and happiness. This then is our one great problem which needs solving above



All The Work in Sight

Note the illustration—it shows one of the Burroughs "Class 300" line—visible writing, visible adding and visible printing, all at the same distance from the eye.

Note that *all* the printing—not *part* of it only—is visible all the time, in *easy reading range*. The paper carriage is but *three inches* back of the keyboard.

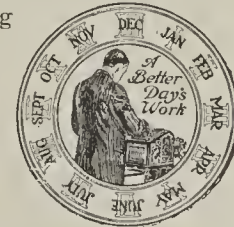
The adding is visible, in plain view directly *under* the eye. The item to be printed is visible and easily readable *before* it is printed.

The paper carriage on these machines (3 1-2, 12 1-2 or 20 inch, as desired) were designed to *speed up* the work of putting in and taking out the paper.

The extremely low keyboard is another big advantage on these machines, making them very convenient for use on either a high or low desk.

The Burroughs "Class 300" line was designed by our own inventors, and is built in the Burroughs factory, the biggest, most efficient and most complete adding machine factory in the world.

All Burroughs machines are backed by a *real guarantee of continuous service*—the kind that *brings service to you*—no matter where you are located. This insures you against inconvenience and loss from accidental disablement of your machine, though the Burroughs is the best built, longest lived Adding Machine in the world.



Burroughs Adding Machine Company

European Headquarters, 76 Cannon Street, London, E. C., England

Burroughs Block, Detroit, Michigan

Detroit invites you to Cadillac, her birthday party, July 22 to 27. Come and have a good time—and while here come and see how Burroughs adding machines are built in the world's model adding machine factory.

all others. Business men of themselves, for their own profit and protection, are constantly improving the conditions under which commerce is carried on. As soon as a wrong method of conducting business develops to the point where it becomes a menace, the customs of business change to meet it, and the public is protected before legislation is undertaken. The commerce of the future is going to follow the lines of least resistance and is going to change as time goes on, until every country produces that which it is best able to produce, taking into consideration its natural resources and the mental development of its people. Every line of business constantly is working toward a condition where it may be carried on at a minimum, natural expense. This phenomenon may be noted in the thousands of removals and liquidations of factories. In some cases where a town has been built up entirely on the production of some one commodity, something different has taken its place when it has developed that the article which it manufactured could be made more cheaply elsewhere. This is one of the evidences of evolution in business, and exactly as it is

true in a small way in the case of towns and cities in the same country, so it is true between the different countries of the world. A time is surely coming when certain kinds of wasteful competition practically will be eliminated, and will be reflected in a world's trade of tremendous proportions. Its regulation will be more confined to the natural laws governing production and distribution than by man-made laws, the majority of which will become obsolete when man has learned properly to control public utterances of all kinds. The world's trade then will represent a fair exchange of commodities and their greatest possible distribution among the peoples of the earth, and we in the United States of America, with our diversified resources and composite mentality, should lead all the nations in the march toward prosperity and commercial peace."

A special meeting of shareholders of the Trust Company of North America has been called for July 9th to act on a proposition to merge the institution with the Commercial Trust Company.

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RATE: TWO CENTS PER WORD

FOR SALE

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$6,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, IC, Tessar lens, focal plane shutter (new out of stock) value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/2-inch Goerz Dagor, Volute shutter. Value \$47.50. Sell for \$50.00, like new. Six-inch Dagor, Kollos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

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PROGRESS UNDER OHIO'S NEW BANKING LAW

(Continued from page 19)

final dividend. In closing this institution we found the situation more or less uncertain as to the final outcome, as a large part of the assets of the bank were regarded in Cincinnati as being of extremely doubtful value. Good judges of paper thought these assets might be worth 50 or 60 cents on the dollar, and for a long time it seemed that they were correct in their judgment. The natural resources and facilities of the department, however, proved that it had the ability to get some good results which an ordinary receivership might not be able to obtain. This proved to be true in a large measure, and we were rewarded for our efforts by a larger return on this paper than could under ordinary circumstances be expected. The assets of the bank have realized enough to pay its creditors 100 cents on the dollar, and this department had the pleasure of putting into effect and issuing checks for the final payment on the very day following the expiration of the one-year limit prescribed by law. A meeting of the stockholders was subsequently held as provided by the law, and the department was requested by them to complete the liquidation for their benefit. We now have on hand cash and equity in uncollected loans which will ultimately yield a fair and reasonable return to the stockholders.

There is reflected in the thirty-six voluntary liquidations and consolidations an earnest effort on the part of this department to eliminate the weak, unprofitable and unserviceable institutions which were fast bringing humiliation or disaster upon the community, and in other cases the bringing together, by consolidation, two warring institutions in a community which needed, and in fact was only able to support, one good bank. These thirty-six liquidations and consolidations for the most part represent hard, diligent labor on the part of this department, labor which was extended in the spirit of friendly helpfulness, and which was sincerely appreciated by those interested after the accomplishment had been made complete.

It is gratifying to me to be able to testify to the very great improvement that has been brought about in the methods of accounting. We seldom have occasion to make a positive requirement as to bookkeeping, and only so when in our opinion the system employed by the bank does not comprehensively show its true condition. We have refrained from interfering with the prerogative of the officers of the bank in selecting such style of books as they prefer, but we do insist that the bookkeeping, of whatever style, must be clear and comprehensive, and that every possible protection against manipulation to be thrown around their system. It is being demonstrated more and more that the loose-leaf system has quite as many disadvantages as it has conveniences. It does not require a very high degree of shrewdness on the part of a bookkeeper to manipulate the loose leaf or card. He can remove such leaf or card from the box or binder on a moment's notice, and can thereby very easily deceive the most careful and far-seeing examiner. You bankers should remember that the state does not equip its department with facilities for making an audit of a bank's books. If it did it would have to provide instead of twenty people which the department now has, something like two or three hundred, and at a correspondingly increased expense to the taxpayer. You should therefore make the discipline in your bank such as would throw around your accounting every possible safeguard against peculations by employees. And while it is not perhaps within our province, it seems to me that in many instances a readjustment of the wage scale of bank employees on

a basis which would permit of their living within their income is a thought that is at least worthy of your careful consideration.

This department has earnestly sought to impress upon the directors of banks the importance of a close supervision, and it is gratifying to know of the reform that has been brought about in that respect. As a general rule state banks and trust companies now have a very close and efficient supervision by the directors; where a director of a bank formerly regarded the position as merely honorary, and had no thought at the time of his election of giving the bank the benefit of his counsel and advice, he earnestly gives, to-day, that which the law contemplates and asks, while the stockholders he represents are rewarded by increasing dividends.

The matter of excessive loans and investments has been and still remains a subject of more than ordinary importance, and one against which this department has adopted the sternest measures. The provision of the law limiting loans and investments to 20 per cent of capital and surplus is admitted by every reasonable person easily to be the best provision of the statutes in so far as safe banking is concerned, and we propose that there shall be no violations of this law without the persons responsible paying the penalty, and every loss accruing through the medium of an excessive loan or investment shall hereafter be made good by the directors responsible therefor, and in no case be charged out of the undivided profits, thereby working injury to an innocent stockholder.

NEW RAVENSWOOD NATIONAL OPENS

The new Ravenswood National at 4600 West Ravenswood Parkway, Chicago, opened for business on Monday morning last. Residents of the district will as a result have their pet wish granted in having an incorporated bank under supervision. Losers through two private banks, which were located on the same site as the new institution, they have long desired a state or national bank. The two private banks were the Ravenswood Trust Bank and William A. Mason's Wilson Avenue Bank, the latter of which went under recently.

Walter D. Rathje is president of the new institution, which is capitalized at \$50,000, with a surplus of \$10,000. Others interested are John W. Hirst, vice-president; George C. Keeler, cashier, and Peter Reinberg, C. F. Newkirk, John W. Hirst, Henry A. Rathje, Dr. Bussey, W. T. Perkins, William H. Bryan, Adolph H. Wessemann, William W. Pollock and Walter E. Rathje, directors.

NATIONAL BANKS

Washington, July 1.—Comptroller of the Currency Murray to-day announced that during the month of June, 1912, 21 applications to organize national banks were received. Of the applications pending 15 were approved and 8 rejected. In the same month 14 banks, with total capital of \$545,000, were authorized to begin business, of which number 9, with capital of \$235,000, had individual capital of less than \$50,000, and 5 with capital of \$310,000, individual capital of \$30,000 or over.

On June 30, 1912, the total number of national banks organized was 10,219, of which 2,825 had discontinued business, leaving in existence 7,394 banks, with authorized capital of \$1,040,545,435 and circulation outstanding, secured by bonds, \$720,424,110.

The Texarkana National Bank of Texarkana, Tex., has let the contract for an eight-story building to be occupied by banking rooms and other offices.

MAINLY ABOUT BANKS AND BANKERS
(Continued from page 3)

which is going some in these literary bureau days.

FRED I. KENT was good also. He is a sort of human rapid-fire performer. All will remember how he jumped in at New Orleans after Sol. Wexler had touched off a big one, and Sol. had to have a life ring thrown to him for the first time in a long time.

S. FLETCHER FARRELL being "from S. Paris, Mo.," went down to Baltimore to help put his fellow Missourian over. He's back! Owing to the fact of having no resistance coil on the line, we couldn't get what he had to say about it over the telephone. He didn't run out of money, but out of patience, so H. R. Kent says. Kent is from Nebraska. Get the point?

WE believe Detroit bankers have things well in hand for the big A. B. A. gathering in September. The Chicago Train-de-Luxe will give a banquet on wheels and a daylight ride (5½ hours) to its patrons. Reservations are pouring in "for whatever it is."

AT the Cedar Rapids convention ten Iowa ex-presidents took part. Col. DuPuy enumerates them as follows: Simon Casady, C. H. McNider, C. B. Mills, Homer A. Miller, D. H. McKee, John J. Large, H. M. Carpenter, J. T. Brooks, L. E. Stevens, John McHugh.

SECRETARY HALL says, "When they dropped the 'Curtin' in Iowa they put up the 'Shade'—only another of the same."

CIIAPMAN told the Iowa bankers he expects to see the day when "Iowa will give her children as much training and care as she now gives her live-stock."

STATE associations get into queer habits. Iowa has been allowing the plumping of votes by owners of chains of banks—one for each bank.

AT Cedar Rapids they canned this custom for good. Hereafter each bank must send a representative or not vote. Good!

IOWA saw the trend of things in Illinois and promptly went to the head of the procession with the following resolution:

"WE favor taking the banking department out of the control of the state auditor's office, as at present provided, and the substitution therefor of a separate department which, in our judgment, would be more efficient and satisfactory to the companies involved and would afford great protection and security to the public at large."

"BE it Resolved, by the Iowa Bankers Association in convention assembled, that a separate department of the state government should be established for the sole purpose of exercising the control and supervision over the banking and trust companies of the state as now prescribed by statute."

"FARRELL is growing"—not J. Fletcher but the town Farrell, named after him in Pennsylvania. Two-bank town already.

WALL STREET JOURNAL says, "Bryan showed at the Baltimore convention that he had lost all standing and influence with his party." Cross-eyed?

QUITE a few third-termers along La Salle Street quietly slipped their T. R. buttons into their pockets on Tuesday morning—for further consideration.

THIRTY-NINE women — mostly suffragettes—were awarded divorces in the St. Louis courts on Monday. CASHIER.

AMERICAN INSTITUTE OF BANKING
The American Institute of Banking has established a branch at Honolulu, Hawaii.

Ohio Convention

Cedar Point, Ohio, July 3.—The Ohio Bankers Association has just concluded its twenty-second annual convention at this place, the sessions lasting two days. Registration was made on the day preceding the first day of the convention at Hotel Breakers, where the delegates and visitors obtained badges and entertainment credentials. At the outset delegates were requested to attend all sessions promptly, and to remain throughout. All sessions were convened and dismissed according to the schedule, giving ample time for the social features without conflicting with the business part of the convention. On the first day the convention was called to order by President W. P. Sharer, vice-president of the First National Bank of Zanesville. This was followed by the annual reports of the secretary, treasurer and council of administration, after which a committee on resolutions was appointed by the chair. B. F. Harris, president of the Illinois Bankers Association, delivered his talk on "The Banker and His Relation to the Public Welfare," which concluded the morning session of the first day. In the afternoon there were reports by group chairmen, followed by a talk on investment bankers by W. S. Hayden, of Hayden, Miller & Co., Cleveland, who was followed by the Hon. F. E. Baxter, superintendent of banks and banking, Columbus, and W. J. Burns, of the Burns National Detective Agency, the former talking on "State Banks of Ohio—Facts and Figures," and the latter on protection of banks. Immediately after the adjournment of this session the members of the American Bankers Association met to nominate a vice-president for Ohio, and a member of the nominating committee of the A. B. A. W. L. Allendorf, vice-president for Ohio, presided. In the evening at eight o'clock the Hon. J. Adam Bede, Pine City, Minn., entertained the convention with an instructive talk on "Our Nation: Its Problems and Progress." This morning reports were heard from the auditor of the association, and from chairmen of committees on purchasing, protection, taxation, legislation and resolutions, which were followed by a debate as to the advisability of allowing national banks to loan on real estate mortgages, by the Cincinnati and Cleveland chapters of the American Institute of Banking. This afternoon F. I. Kent, vice-president of the Bankers Trust

Company, New York, talked on "Twentieth Century Commerce and its Regulation." Officers then were elected for the ensuing year.

The amusement features of the convention were well looked after by the efficient committee on entertainment. Yesterday, through the courtesy of the Cedar Point Resort Company, and the bankers of Sandusky, a social program was arranged for the afternoon and evening, including cards in the new pagoda at the Breakers Hotel, a musical program and refreshments, and a ride for the ladies on the picturesque lagoons. In the evening after the address by J. Adam Bede the guests enjoyed the hospitality of the Cedar Point Resort Company, and the Sandusky bankers at a reception and ball held at the Coliseum. A pleasing and enjoyable feature of the entertainment provided for to-day was a boat ride aboard the steamer "G. A. Broeckling." The trip was along the picturesque wooded peninsula of Cedar Point, in view of Marblehead and the historic Johnson's Island, where the Union prison of the southern soldiers was located during the Civil War, and in sight of the productive fruit belt of the peninsula, which separates Sandusky Bay from Lake Erie. Refreshments were served on the boat, and attendants provided for the wants of all the guests. All the delegates voted the hosts royal entertainers.

Report of Secretary S. B. Rankin

Secretary S. B. Rankin, in making his annual report, stated that the association has enjoyed a year of unusual activity, a great many visitors being reported at headquarters, and a vast amount of inquiries relating to banking subjects. Bankers were urged to endeavor to select competent and trustworthy representatives in the next legislature, as it is believed that several measures vitally affecting the interests of the banking fraternity of the state will be up for consideration and passage in the near future. He told of the willingness of the association to co-operate with those advocating the adoption of the plan of the National Monetary Commission, also the endorsement of the state organization of the movement for one-cent letter postage. A large amount of money has been saved to the members in insurance premiums, and especially in burglary insurance. Thus far it has been impossible to form any agreement with a bonding or fidelity company. The membership of the association has increased steadily. There are, however, about two hundred non-members in the state. Secretary Rankin has not given up hope of eventually inducing these delinquents to avail themselves of the benefits of the association, and will continue the persistent campaign he has been waging in an effort to attain that end. Originally there were but one hundred and twenty-five members; now there are over nine hundred, which is the result of efficient organization and generalship. The council of administration has been active during the year, having had five meetings. No action in the conduct of the association affairs is taken without the approval of this body, or standing committees. The protective committee has done good work in ridding the bankers of the state of those members of society who attempt to live by crooked practices. Much advantage has been derived from agreements made by the purchasing committee with various concerns handling bank supplies. It is expected to carry this good work on until the saving to the individual members will more than equal the cost of the annual dues. The groups are assisting nobly in harmonizing banking interests, and in several instances reforms, such as eliminating overdrafts, cash items and reducing interest paid upon deposits have been effected. Questions of this kind and others can be settled at group meetings.

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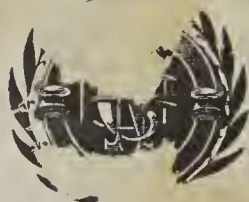
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A Weekly Paper Devoted to the Banking
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JULY 13, 1912

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10 CENTS A COPY

Minneapolis Conference

The second annual conference of educators and of state committees on agricultural development and education has been called to meet in Minneapolis this year at ten o'clock A. M. on August 7th at the Hotel Radisson. The second session will be called to order at the same hour the following morning at the St. Paul Hotel in St. Paul. This is the organization which held such an influential session of bankers and teachers last year and elected Joseph Chapman, Jr., president and Charles R. Frost, the talented secretary of the Minnesota Bankers Association, was elected secretary. At the first conference the executive committee chosen consisted of B. F. Harris for Illinois; E. J. Curtin for Iowa; Isaac Lincoln for South Dakota; W. W. Bowman for Kansas; P. A. Pickett for North Dakota; L. A. Hutton for Minnesota; W. D. Vincent for Washington, and L. A. Baker for Wisconsin. The first conference was attended by about eighty bankers and educators, and the state associations circulated nearly twelve thousand copies of the proceedings book. At that time not more than a dozen states had taken up the agricultural and educational problems, whereas at the present time almost every state in the Union now maintains or has authorized the appointment of a committee covering these subjects. A circular letter has been sent out from Minneapolis requesting all of those who will attend the conference this year to come prepared with certain state information covering the relation of the population of rural to city districts, and certain facts concerning school provisions for the teaching of agriculture and domestic science. Mr. Chapman is of the opinion that the sessions of the conference will be much more interesting if the members come fully prepared on what is to be brought up for their consideration. A competent reporter has been engaged and the proceedings will be printed the same as last year for general circulation. The Twin Cities bankers are preparing to give the delegates a "royal good time" so that the meeting will not be one entirely devoted to work. Last year the clearing houses of the two cities entertained all of the delegates and guests both at luncheon and at dinner in the evening, after which the entire conference was taken to a theatre and automobiles were provided to transfer those in attendance from Minneapolis over to the session at St. Paul on the second day. In a large part this program will be repeated this year. It is expected that not less than twenty-five states will send either delegates or committeemen.

NEBRASKA CONVENTION

Secretary Wm. B. Hughes of the Nebraska Bankers Association announces that the Nebraska bankers will hold their annual meeting in Omaha, Monday and Tuesday, August 26th and 27th.

It is reported that the Indiana State Bank of Indianapolis is organizing in that city with a capital stock of one million.

Active Members Big Council, A. B. A.



OLIVER J. SANDS
RICHMOND, VIRGINIA



H. P. BECKWITH
FARGO, NORTH DAKOTA

John R. Washburn

John R. Washburn, assistant cashier of the Continental and Commercial National, who recently has returned from a trip to the Northwest, states that the crop outlook for that section of the country is better than it ever has been. The lumber business is better than it has been in five years. Great satisfaction is expressed out there over the favorable conditions prevailing.

CHARLES G. DAWES FOR G. O. P. TREASURER

The name of Charles G. Dawes, president of the Central Trust Company of Illinois, has been mentioned for the treasurership of the republican national committee.

EDMUND D. HULBERT ON MONEY AND BUSINESS SITUATION

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company of Chicago, says that the money situation in Chicago has been tolerably close for the past three months. All of the banks have been well loaned up. There has been very little reserve. A little reluctance to raise interest rates has been manifested on account of the fact that they have been kept down in New York. The situation here has not justified the low rate we have had for some time back. Firmer rates are looked forward to from now on, and for the balance of the season. The general business situation is good, the outlook for crops being very favorable.

AGRICULTURAL AND EDUCATIONAL CONFERENCE

There was a conference at the Auditorium Hotel in Chicago at two o'clock on Wednesday, July 10th, of those interested in the International Boys and Girls League of home and school activities in agriculture, home economics and manual training. E. E. Balcomb is the executive secretary and treasurer. President B. F. Harris of the Illinois Bankers Association designated W. G. Edens, secretary of the committee on agriculture and vocational education of the Illinois association, to represent the state organization at this conference.

Jno. A. Broeksmit

John A. Broeksmit, cashier of the Harris Trust and Savings, left the city last week for a vacation in Europe. He expects to be away about two months.

CHICAGO BANKERS ATTEND PICNIC

The entire force of the National Bank of the Republic attended a picnic given at Winnetka on Saturday last. The amusement consisted of various athletic contests, dancing, etc. A baseball game between the married men and the bachelors resulted in a victory for the latter.

R. W. Williams, cashier of the Farmers State Bank at South Shore, S. D., is dead as the result of an accident while hunting weasels.

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United States
Depository

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

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Mainly About Banks and Bankers

SATURDAY, September 7th, about 10 A. M. the big Banquet-on-Wheels special will leave Chicago for the Detroit convention "loaded down with bankers." The committee has been refining its plan and announcement soon will be made.

TABLES will be reserved for "twos" and "fours" and in multiples of those numbers, so "choose your partners for the next dance." Any bank in Chicago will be glad to put you on the diagram.

THERE ought to be enough going up to the Minneapolis-St. Paul conference, leaving Chicago the evening of August 6th to fill one car. You will have the time of your life if you go.

LAST year the delegates were given a luncheon and an evening dinner on both days with a theatre party in between. The Twin Cities like it and will do better this year. The announcement says those who come will have a "royal, good time" and those in charge know how to deliver the goods.

THE whole country is relieved at the outcome of the contest at Baltimore. The election of either the republican or democratic candidate for the presidency would not be disturbing to the present condition of business. The tariff in either case must be readjusted, but in both cases this readjustment promises to be gradual. In fact, the democratic platform, while advocating the most radical policy, that for revenue only, distinctly asserts that the changes must be made "by legislation that will not injure nor destroy legitimate industry." Otherwise, the two platforms are as much alike as two peas and the question really reverts to the individual character and weight of the candidates.—Bache & Co.

BACHE & CO. further say: "Of Mr. Wilson it may be said that the democratic party has, in his nomination, regained after many years its former high position, and that the prospects of his election should cause no trepidation in the business ranks."

J. GRIER LONG of Spokane told the Washington bankers of his impressions of the New Orleans convention. This is the little bouquet which he handed to F. O. Watts who, as president of the A. B. A., presided:

"THE presiding officer, F. O. Watts, of Nashville, Tennessee, showed great tact and much skill in giving to each one his share of time for the proper discussion of his subject. His watchword was, 'There must be no time wasted.' Even in the heat of argument, the greatest of courtesy was extended to the most belligerent."

F. A. GOFF of Cleveland and Frank A. Anderson of California were credited with the two "most interesting" addresses and many will agree with Mr. Long.

YES, and the sun crowned Detroit with this: "Prob-

NEW YORK CHICAGO PHILADELPHIA BOSTON

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H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

ably the most instructive, as well as amusing, address of the convention was made by E. St. Elmo Lewis, of the Burrough's Adding Machine Company, on 'The Saving Idea of the People.' From this, the savings bank section probably learned as much about the many kinds of advertisements,—banking and otherwise,—as was ever granted to them."

REPORT of the judges appointed to pass upon the essays submitted by the bank clerks of the state of Washington at the convention awarded the first prize of \$15 to the essay signed "J. P. Maxon," written by A. R. Charles of the Fidelity National Bank, Spokane; and the second prize of \$10 to the essay signed "Gopher," written by Ross McDonald of the First National Bank, Seattle.

W. D. VINCENT reported to the Washington convention on the Minneapolis agricultural and educational conference, held last year. In closing Mr. Vincent said: "Interest in the subject of 'Back to the Farm' is so great that it behooves the members of the Washington Bankers Association to become alive to the needs of the state and the opportunity for a better and more scientific development of our wonderful resources."

MR. VINCENT was in a small way rewarded for his work and interest in the association by being elected a member of the Big Council, to take his seat at Detroit.

J. W. SPANGLER of Seattle will sit on the nominating committee from Washington and M. F. Backus will be the state vice-president.

THE new officers of the Washington association are: president, W. J. Patterson, Aberdeen; vice-president, W. H. Martin, Ritzville; secretary, P. C. Kauffman, Tacoma; treasurer, C. K. McMillin, Bellingham.

THOMAS D. CATLIN naturally is for both state and national supervision and inspection of banks, for he is president of three incorporated banks and all doing well. The three banks are: National City at Ottawa, First National at Grand Ridge and State Bank of Seneca, all in Illinois.

ON his recent folder President Catlin says: "This bank (meaning the National City of Ottawa) has been in business for 46 years,

under government inspection and supervision. It enjoys the distinction which comes from age, experience and successful management."

HOW could Col. Catlin be against state supervision on the executive council in the Illinois association, even if he tried, with such a record behind him? The Ottawa bank alone, on \$100,000 capital, has \$269,600.03 surplus and \$1,858,177.90 in deposits.

ONE of our favorite poet laureates has sent in his ideas of the presidential situation (before the Bull Moose party was born, in a pair of limericks, too good to be lost.

A STATESMAN and scholar named Woodrow
To the White House decided he would go;

He will do it this fall,
For progressive men all
Have made up their minds that he should go.

THERE was a big fellow named Taft
Who was running a Salt River craft;
With political junk
It was loaded and sunk,
Whereat everybody just left.

AFTER a first class meal at the station (Cedar Rapids) lunch counter Elbert Hubbard told the Iowa bankers, "Very few men really know what is in them." He was thinking of the hash he'd had.

OTHIER questions were settled at the Cedar Rapids meeting. A year previously there had been a division on the question of the election of Arthur Reynolds to the Big Council, and notwithstanding his easy triumph, there remained an opposing faction. It had voted for Henry M. Carpenter.

AT Cedar Rapids there was a sort of a reunion, the Reynolds people supporting D. H. McKee and the opponents supporting Mr. Carpenter. They joined forces and the two were elected members of the Big Council to go on at Detroit.

IT is not likely that the presidential election will slip by without a contest next year as it did this year at Cedar Rapids. Several prominent bankers have been mentioned, among them being Joseph H. Ingwersen of Clinton.

MR. INGWERSEN has been a patient toiler in the ranks for many years, and repeatedly has stepped aside for an older man, but his friends now claim that the time has come for his recognition. Let it be understood then that Mr. Ingwersen will have to be reckoned with at the Des Moines meeting next summer.

FROM being a "receptive" candidate, to use a term much abused in the recent republican primary campaign, T. R. Davis of Cincinnati has been pushed forward rather prominently by his admirers for the chairmanship of the Big Council at Detroit. Members of council are receiving letters advocating his election.

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
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Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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CORN EXCHANGE CAPITAL - \$3,000,000.00
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IN YOUR LOCALITY IS THAT OF THE CATTLE FEEDERS AND SHIPPERS. TO SECURE THIS BUSINESS, YOU NEED THE SERVICE INSURED BY AN ACCOUNT WITH

THE LIVE STOCK Exchange National BANK OF CHICAGO

R. E. James on Segregation of Deposits

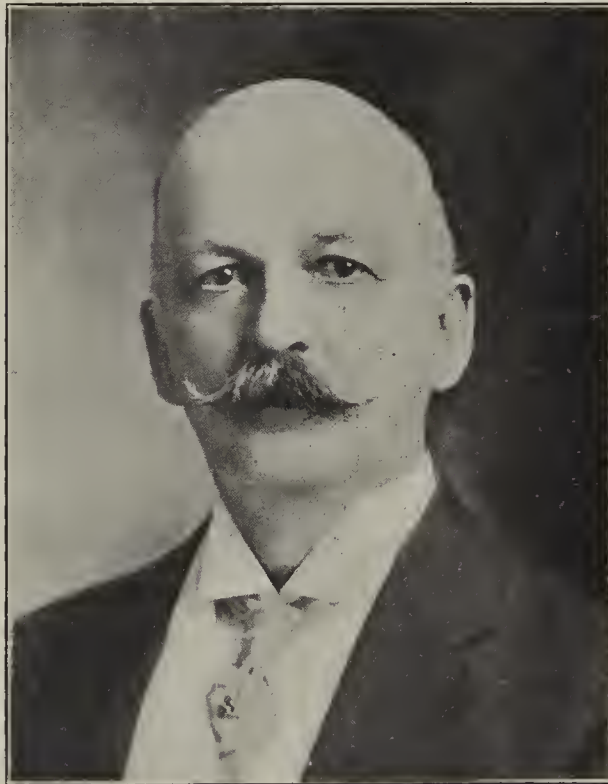
Human action is much the same at all times. Periods pregnant with unusual conditions startle for the moment, but a glance backward through the chronicles of the ages demonstrates that we are merely having a new view of an ancient event. With almost periodic certainty we have great upheavals, sometimes labelled progress, sometimes revolution, sometimes merely bluster.

It is only the old, old struggle between radical thought and conservative moderation. The radical is a necessity to blaze out new lines of advance. The conservative is still more important, and trims down his opponents' policies to reputable methods. The radical attacks everything that is, the conservative cuts out the fire works, destroys the evil, but saves the thing that is good. The resultant of these two forces is always advance, but an advance that is progress, sane and safe.

The civilized world fears and avoids financial and industrial catastrophes. We alone are indifferent to their coming and recklessly open our gates to the Wooden Horse, and then repent—but our repentance is ephemeral, and we quickly mount the walls to see if there is not somewhere another horse to bring within our gates. Panics at our invitation come to us with the regularity of small pox and mosquitos, but we never oil the waters of our financial pool, or inoculate the body to resist the disease, and swift upon the panic's heels come the doctrinaires. Panics breed more theorists than a business world can assimilate, more doctors than diseases, and the struggling, debilitated victims of the financial cataclysm are well-nigh dosed to death by the physic of the empirics. So as we emerged from the first shock of the recent prostration we were met by the suggestion of more remedies than illuminate the shelves of a cut rate drug store, by more devices for financial health than John Law in his palmist days ever dreamed of, and by more self-sacrificing theorists than could be accommodated in an up-to-date Eutopia. Bankers, by reason of close adherence to good methods, may have escaped the disaster of 1907, but they cannot escape the theorist and his cure-all. They may, by years of strictest observance of the laws of financial health, have held themselves and their patrons immune, when the scourge fell, but they can't avoid the physician who now volunteers his service. They do not know, but he knows that they are sick, and he proposes to administer his physic willing if possible, forcibly if need be. A certain gentleman of wide notoriety always builds his latest political phillipic about some biblical quotation or thought. It makes his heresy more alluring and flatters his victims by the intimation that they have a conscience. The Humanitarians who urge the plan for the segregation of deposits bank much upon the moral law and urge its application to everybody except themselves. Artemus Ward you may remember was willing to sacrifice all his wife's relatives on his country's altar. Let us say that the advocates of segregation are actuated by the best intentions, but are dwellers in the mists of theory, and are culpable in not understanding conditions, when the facts lie open to their observation. They have had every oppor-

The Sage of Easton, Pa., at the West Virginia bankers convention adds to banking literature a complete exposition of a difficult and mooted subject. Bankers of every state interested in matter as stated by Pennsylvania's leading banker-attorney

tunity for knowledge, but reject all facts that militate against their theories. They are unfair in their unwillingness to listen to opposing views, and have been and are deaf to statements of fact. "Audi alteram partem" is not in their bundle of maxims. They prefer the steam roller method of argument and only desist when those whom they think they are serving decline their aid, or the irresistible



ROBERT E. JAMES
Easton, Pa.

logic of facts compels them to modify their program.

The plan proposed for the segregation of deposits differs somewhat in the several states where it has been offered for adoption, but the basis is much the same, and has been incubating in committees of the American Bankers Association for several years, but to this time has not received the endorsement of that body.

What do these gentlemen propose?

Segregation of deposits according to the plan they desire to impose by law national and state upon every banking institution, covers a class of deposits called "savings deposits." This term is vague and uncertain, and they are more than vague in their attempts at elucidation. They frankly admit that they cannot define what a saving deposit may be, yet base their entire fabric on this uncertain indefinable term. In the early days of the discussion they shrank from the magnitude the term might assume. They are bolder now, and admit that the term must cover all interest bearing deposits and

deposits not actually engaged in business transactions.

What is the plan?

They require that all banks receiving "savings deposits" shall

First, keep all such accounts separate, separate books, etc.

Second, shall invest all such moneys separately.

Third, shall invest such moneys in "savings bank securities," such as United States bonds, state and municipal bonds and first bond and mortgage.

Fourth, that such investments shall be solely for the benefit of such depositors.

Fifth, that in liquidation, these securities shall be applied, and if insufficient then these depositors shall come in equally with all other depositors on other assets of bank.

It is not possible within the limit of time which I have at my disposal, or which your patience will extend, to argue each of these positions to its logical end.

Each one of these different requirements is fraught with danger and possibly disaster, if attempted to be carried out under the plan proposed by these gentlemen.

If this effort had been the evolution of the combined wisdom, not only of all classes of national financial institutions, but of all financial interests protected by state legislation, I sincerely believe that a broad, strong basis of mutual agreement and advantage could have been arrived at; however, let us take a glance at the proper results from the above mentioned requirements.

It appears plain that under this system, one class of depositors is given the preference over another class of depositors in the same institution, and there will arise two classes of depositors entitled "Preferred Depositors," and "Non-Preferred Depositors," or as they say "Secured Depositors."

It may appear to you with your experience in the matter of banking, that while this system might be an exceedingly good thing for the so-called savings depositors, it would not be a good thing for your active depositors. Nothing is so sensitive to attack as money, and the moment the active depositor sees the position he is placed in by the preference given to the savings depositor, he promptly changes his banking institution. He will not only do this because he is discriminated against most unfairly, but because, when the assets of the institution with which he is dealing are in large part compelled by the law to be invested in bond and mortgage or in outside securities, his institution will not have funds for the accommodation of its active business depositors, and he will soon discover that his bank is unable to discount his paper for lack of funds. In every community business enterprises depend on inactive deposits. Invest them abroad and the community suffers.

The active depositor then will soon find that he is a misfit in any institution which pays interest to depositors, and his only recourse is to find an institution which does not receive such deposits. On the other hand the bank with which this active depositor is dealing is in a dilemma. It sees these active depos-

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finding other banks to deal with, and with the foresight that is characteristic of the control of every financial institution, foresees and anticipates what must happen in the course of natural law, when such a plan is put in operation. It makes unusual efforts to retain its depositors, but when it is required to liquidate a large portion of its bills discounted or other loans made to active depositors in order to invest that money in legal securities as a protection to another class of depositors, the directorate of the bank soon learns that the situation is such that it is impossible to hold its old customers in line as depositors of the institution. Then there is one of two alternatives, the bank must either discard all interest-bearing depositors, or on the other hand it must discard all its active depositors. It is also plain that in any community where this condition exists the promoter will soon be at work. The banks are endeavoring to hold both classes of depositors. The promoter sees an extraordinary field for the creation of purely commercial banks, which will be an attractive resort for the active depositor, who under this system will be discriminated against by every bank, national or state.

Let us examine more closely the scope of the term, "savings deposits." What are savings deposits as they must be understood under the proposed plan?

The vague generalization indulged in by sundry philosophers on this question cannot be accepted. Their minds contemplate indefinitely the wages of labor, the protection of the deserving poor, the overshadowing shield which the statute should extend for the shelter of the deserving. But these humanitarian sentiments are not new, nor confined to the gentlemen, who now utter them from rostrum, or stamp them in print, neither are they absent from the hearts of those who manage banks and trust companies. If men were deposited and not dollars—even heartless bankers could discriminate and segregate. To ear mark dollars and infuse into each a sentiment is impossible. It raises issues within issues, each more difficult of solution than the other. Even a banker cannot discriminate, and the good humanitarian would resign a bank presidency and take to poetry after the first effort. If men were the subjects of deposit the thought could be worked out and the deserving could be properly posted. Here somewhere the trouble lies. No form, or entry, or method of receipting can distinguish the deserving from another. The wealthy, crabbed, mysterious oppressor of poverty may be owner of a savings book, as easily as a check account, and virtuous but poverty stricken labor may have a check account, certificate or a cashier's check.

The simpler form of an interest

bearing book. But how will the learned examiner, though crowded to the marrow with the definition of the statute, tell in which form virtue lies? What divinity will frame a statute that can carry out the beautiful purpose of the philanthropic agitator, and what mere man can frame a law that will not leave distrust and inequity in its wake instead of good?

But what are "savings?"—If a statute is enacted it must define, so that the good may be applauded and the erring punished. But courts won't enforce visions, or punish for antagonism to a dream. Then what are "savings deposits"? The comptroller of the currency was in evident perplexity on the question, as he was unable in his call for this purpose to give such instructions as would bring harmonious and uniform results from the banks. The Monetary Commission, however, classify all interest bearing deposits, whether on book or certificate or otherwise, as "savings deposits."

These philanthropic gentlemen have struggled mightily with this problem. They have sought vainly for a lucid, logical statement that would define the object they have in mind. They have stated and restated conditions, hoping therefrom to extract a principle that would stand the test of a definition. They have failed. In their last pronunciamento on this question, the savings bank committee admit the failure, and say that the only definition pos-

sible, is a statement of conditions. So the ancient philosopher defined man as a biped without feathers, whereupon the skeptic held up a rooster plucked for the pan, and exclaimed, behold—a man. They not only fail to tell you what they mean by savings deposits, but, in the bill they offer, they admit their failure. At times their fatigued minds feel inclined to abandon the task, and they seek to place by legislation the whole vexing question upon the conscience of the commissioner of banking. We would then have the unusual spectacle of a statute, half of whose terms would be on the statute book, and the more important half under an official hat.

I beg to call your attention to a recent report of the law committee of the A. B. A. The matter of segregation and investment of savings deposits had been referred them for consideration—just why to the law committee may be difficult to understand, unless it was because there were no lawyers upon that committee except the general counsel. It is also true that the foremost advocate of segregation was made chairman of that committee. They followed their own methods in the investigation, reduced hearings to responses to questions framed by themselves—in which the two essential elements of the whole subject were given small attention, and yet in their report—make the following admission—rather confessions.

To the query—"What are savings deposits?"—They answer,

First, "Precise definition is difficult, perhaps impossible."

Second, "The committee is convinced, by talking with them, that most bankers know which of their deposits are 'savings,' and that it is not necessary to define them by law."

Here is a final and distinct admission of what we have contended, namely, their inability to define, and their lack of grasp of the subject, and with it the foolish suggestion that every banker be made the judge of the requirements of law as to his own bank. Anyone will instantly realize the absurdity of such course, and the folly of such suggestion, but these admissions show that the philosophers have at last opened their minds to the difficulties, even if their suggested remedy is hopelessly absurd. They would make each bank the judge of the application of the law.

A statute to be operative must be capable of self definition. If it fails in that, it is repugnant to common sense, and will not be enforced. There must be a clear object legislated upon—there must be some quality that distinguishes the class, and a mark that cannot be evaded at the will of the party interested. You cannot exclude from the operation of the

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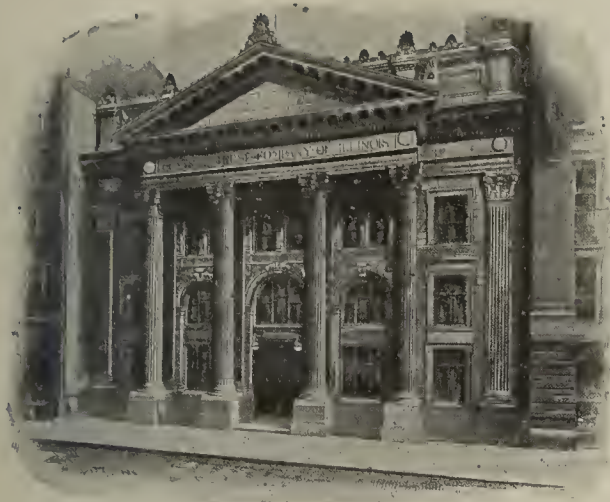
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Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

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law because of form, or material clause, or style. Will you exclude certificates—why then the opponent will issue nothing but certificates—will you determine, by the use of the word “savings”—why they change the name—will you fix a time qualification—or a form for deposit—or withdrawal? Why, then the opponent’s way is easy to avoid the prescribed method. To hold the opponent you must find some quality that is common to any form, method or style, and one he cannot avoid or abandon without suffering a loss too great to be profitable. These efforts at defining spring from a mind familiar with a custom, and not from a logical basis, upon which alone a legal distinction can exist. They do not define. They must leave the whole question to legal, not personal interpretation, and when the courts interpret “savings deposits” they will find a clean logical line of demarkation—and that line will be between active business deposits on one hand and all other deposits on the other hand. But of those other deposits that show a clean and clear line of distinction—easy of recognition and clear in definition, “interest bearing deposits” stand conspicuous. Interest bearing deposits without reference to any form or style or limitation of deposits, or character of deposits. The theorists protest that they do not wish to go so far—They need not do so, the courts will do it for them. These gentlemen may fool with the flood gates, but they cannot control the torrent. They may say thus far and no farther, but a greater power will control. The courts, not theorists, will interpret the law. The gentlemen toy with dynamite, and do not understand. They talk sympathetically about “savings deposits,” yet can frame no definition which answers their purpose. They claim to exclude all from the operation of their plan except what their minds vaguely classify as “savings,” yet are absolutely unable to fix their meaning on paper so that you or I could understand, and when you point out that they cover every species of interest bearing deposits, they stand mute and can make no answer.

They have been reared in a locality where the word “savings” has a limited technical meaning, and do not understand that that peculiar meaning does not prevail in other localities, where conditions are different. “Savings” in New England means savings bank deposits. Savings in Pennsylvania means money saved, be the amount small or great.

In order to demonstrate to you absolutely the fact that these gentlemen contemplate the

segregation of all interest bearing deposits, notwithstanding any protest to the contrary, I refer you to a draft of a proposed bill for enactment by states, and presumably by the nation, for the control of all institutions receiving so-called savings deposits.

This bill, which has been widely circulated by the savings bank committee, provides as follows:

(See Bill).

Every bank soliciting and receiving deposits—(a) which are payable on presentation of pass book, or (b) which at the option of the bank may require notice of intention to withdraw, or (c) upon which interest is payable at fixed periods, or (d) in other manner to lead the public to believe that such deposits were received in the manner prescribed by this Act—shall have a savings department in which all such deposits shall be received, etc.

From this it appears—

First. That “savings deposits” are deposits in a savings bank or department; and

Second. It requires that four different classes of deposits shall be deposited in such a savings department, and thereby become “savings deposits.”

Examine closely the four classes. The first one provides that if a deposit is payable only upon presentation of the pass book, that such deposit must be held in a savings department.

The second feature provides that deposits made under requirement of a notice to with-

draw, shall be deposited in a savings department.

The third feature, covers the millions of dollars now on demand in check accounts, held especially by national banks, upon which interest is paid, and every other interest bearing deposit.

As to the fourth class. This is a drag net, and is so wide reaching in its terms as to make it impossible of enforcement, and no court would ever enforce it. More than that, it is so vague, indefinite and uncertain that it requires an extraordinary grade of intellect to understand what it means.

This clause “C” in the proposed law as to interest bearing deposits, cannot be evaded by the banks, and will not be destroyed by the decisions of the court. It is clear, clean cut and means just what it says. That is, that all interest bearing deposits under this law must be put into a savings department and passed through the mill provided by the bill for savings deposits. It distinctly specifies what very many of the friends of this proposed law deny. It positively affirms that under this scheme of segregation as proposed by these mutual savings bank men and other theorists, all interest bearing deposits of whatever description are subjects for segregation, whether they are time deposits, on book, certificates of deposit, cashier’s check, coupon certificates, check accounts bearing interest, or of whatever character. And in the last report made by the law committee of the American Bankers Association, they accept this wide significance of the word “savings” and by their own application include one-half of the deposits of the country in their scheme for segregation.

Now we know where we are at. All interest bearing deposits of every character whatever, when received by any institution, national or state, trust company or capitalized savings bank, shall forthwith invest that money in a restricted class of securities, and treat it in all respects as required by this Act.

For the purpose of illustration, permit me to use the data of your sister state—my own commonwealth, because of the fact that I happen to be more familiar with the statistics than I am with those of your state, and for the further reason that I have not had time to gather the statistics of your state sufficiently accurately to clearly place this matter before you.

In Pennsylvania, the monetary commission, after investigation made, declare in their tabulated and published statement that there are five hundred and twenty millions of sav-

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deposits. This statement is short of the fact. There are at least \$600,000,000 of what would be called savings deposits under the law, which these gentlemen now propose to impose upon us.

Of this amount \$165,000,000 is now held by mutual savings banks, of which there are only eleven in existence in the state, seven of which are in Philadelphia and one in the city of Pittsburgh; the other three of minor importance.

In Pennsylvania, then, with a total of interest bearing deposits amounting to \$600,000,000, if we deduct \$165,000,000, being the amount of deposits in mutual savings banks in that state, we have a result of over \$400,000,000, subject to the provisions of this plan of segregation.

Four hundred million dollars—an amount greater than the total so-called “individual deposits” in all the national banks of Connecticut, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi and Louisiana combined.

An amount greater than the total of individual deposits in all the national banks of Kentucky, Arkansas, Tennessee, Michigan, Montana, Wyoming, New Mexico, Idaho, Utah, Nevada and Arizona combined, and almost equal to all such deposits in all the New England states combined, and yet these gentlemen would regulate these vast interests while taking lunch.

In the so-called proposition (see note 2 on page 16 of bill fixing investments) they recommend that in each state the investments should be such provided by the law for mutual savings banks.

In Pennsylvania, mutual savings investments are limited to United States bonds, state and municipal bonds and first bond and mortgage.

Imagine, gentlemen, if you will, the enactment of this bill as proposed, and the requirement that in Pennsylvania, four hundred millions of dollars must be taken from the ordinary channels of trade, and all the securities or loans represented by that \$400,000,000 con-

verted and then replaced in United States securities netting two per cent and somewhat upwards, or in state bonds, or in municipal bonds now netting four per cent or less, or in bonds and mortgages, and contemplate the condition that the Keystone State banks and people will have fallen upon. Business would be shaken—credits must be withdrawn, wheels must be stopped. Interest rates will oppress the business borrower. Municipal and government bonds would be at such figure as to make it impossible to net more than 3 per cent on investments, and every bank in the state of Pennsylvania would, as a last resort, be scrambling for first mortgage bonds which might offer a little larger rate.

And then imagine the Pennsylvania banker endeavoring to realize a sufficiently large sum to pay the current expenses of his institution—to pay a reasonable dividend upon his capital invested, and to pay a three per cent rate at least to his depositors, and yet “*Nomine mutato, haec fabula de te narratur.*” The law committee says West Virginia is in the same predicament as Pennsylvania.

When you mention this feature, some sapient person will inquire whether you still anticipate terrible results. Yet as the night follows the day, these results must follow these conditions. They tell you that in Texas and Michigan and in other states, such results have not followed. Two or three years is no demonstration, and few states do not foreshadow the results of a country-wide application of this plan; but even there, if the laws of those states are similar to the law intended to be imposed, either the commissioner of banking is winking at the violation of the law, or the bankers are successfully evading the

provisions of the law, or the investment restrictions are so mild as to make the plan possible. If it were possible to enact a law which would permit every person interested, to be the judge of the law as recommended by the law committee, we might get results such as appear in some of these states, but under this law as proposed such results cannot follow. If the law is passed, it will be interpreted by a court of law, and not by either an easy bank superintendent or an easy bank officer, who may make a convenient guess do for a sworn report.

But what about the community? It will readily be seen that a large proportion, indeed, the greater portion, of a bank's deposits must be withdrawn from current loans, from discounting, from commercial paper of any character, and invested as above. This means that the bulk of the bank's deposits must be taken in the first place from its use in the community where the bank is located; second, that it must be invested, probably abroad, the bank seeking the great cities of the East or of the Middle West to find the character of new securities required by law. It means that the rate of income, discount or interest, which probably in former conditions realized from five to seven per cent for the bank, must be abandoned, and that a very much less rate, possibly not exceeding three to three and a half per cent, dependent upon the character of the investment, and also the premiums required, would be realized from such investment.

It means that the bank with an income of one-half or a greater amount of its deposits, not exceeding in gross three and one-half per cent, must pay its current expenses, declare a dividend on its stock, and pay, where interest is paid, at least three per cent to its depositors. A mathematical proposition which ought to reach any banker's mind and attract his attention.

It is easy to see that banking under such circumstances would be impossible. The profits that might be made from the business of

(Continued on page 28)

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President W. W. Beall to West Virginia Bankers

I desire to congratulate the association on its healthy condition and the fact that it continues to grow in influence and importance. During the past few years there has been more agitation concerning banking and currency than there has been in the past quarter of a century, probably more than there has ever been with the possible exception of the period when the national bank act first was framed.

With the adoption of the gold standard the currency question for a time was more or less dormant. Interest, however, was revived after the panic of 1907, and that interest is directly responsible for the appointment and work of the National Monetary Commission. And I submit that we are right now facing the solution of a problem that is freighted with the most important results to the greatest number of people of any question demanding public attention at this moment. It is a matter of particular importance to bankers, and we cannot give it too much serious consideration. Loyalty to our institutions and our patriotism demands that we should lay aside all personal prejudices and exert our best efforts in the solution of this problem.

The scheme of guaranteeing deposits, which commanded our attention only a few years ago, has been to some extent at least tried out, and as some of us predicted, found wanting. It was not as was claimed for it, a new proposition, and anyone who desires has but to read the history of early banking in the State of New York for a verification of this statement.

Before this association holds its next annual convention a new legislature will have been elected, and will convene in the capitol of the state. It is important that a legislative committee composed of men who are willing and capable of giving the important matter of bank legislation the time and consideration it merits, and it is equally important that each and every member of this association keep in close touch with this committee, so that needed legislation may be enacted and anything of an unsatisfactory nature may be frustrated.

Our present bank law, which is modeled after the national bank act, has worked so admirably that I take it we are all interested in seeing that nothing creeps into any of its provisions which would tend to destroy its efficiency.

The conditions of the banks in our state are

Recommends legislative committee and gives the currency bill a boost. Thinks deposit guaranty has proven a failure

so generally satisfactory that I do not deem it necessary to dwell on this subject at length. The action of the association in dividing this state into groups is to be commended, if for no other reason than the success which has attended the handling of purely local questions, and solving them as local conditions demanded.

The agitation of those much discussed and frequently damned propositions laconically referred to as "Four Per Cent" and "Taxes," are still before us, and if the youngest of us be permitted to live the psalmist's allotted three-score years and ten, we may have the privilege of seeing them amicably adjusted,



W. W. BEALL
Wellsburg

President West Virginia Bankers Association

and the spirits of those who have gone on before will make an earnest effort to utter "Amen."

West Virginia Program

The address of President Beall was followed by the report of Secretary and Treasurer J. S. Hill and the appointment of committees. Dr. H. Parker Willis, Dean of the College of Finance, George Washington University, concluded the morning session on Thursday with an address on "Prospects for Banking Legislation." In the afternoon addresses were made by R. E. James, president of the Easton (Pa.) Trust Company on "Segregation of Deposits;" Hon. Wm. B. Matthews, clerk of Supreme Court of Appeals of West Virginia, on "Court Decisions Affecting Banks;" and by Hon. Charles P. Light, field secretary American Association for Highway Improvement. After the reports of the group chairmen, the meeting was adjourned until the next day. On Friday morning Hon. R. A. Heflin, member of Congress from Alabama, and F. W. Ellsworth, publicity manager of the Guaranty Trust Company of New York, were the speakers. Mr. Ellsworth gave his famous talk on "Bank Advertising" which was followed by a general discussion. Hon. E. D. Sanderson, dean and director College of Agriculture, West Virginia University, was the only speaker at the afternoon session and spoke on "West Virginia Agriculture—A Neglected Industry." After the reports of the various committees, the next meeting place was selected and officers for the ensuing year were elected. In the evening the annual banquet was held at White Sulphur Springs Hotel. Hon. Wm. A. MacCorkle was toastmaster.

INTERNATIONAL DRY FARMING CONGRESS

The board of control of the seventh international dry-farming congress announces the annual session of the congress and international exposition of dry-farm products and machinery at Lethbridge, Alberta, Canada, October 21st to 26th. John A. Widtsoe, Ph.D., president of the agricultural college of Utah, is president of the international dry-farming congress, and the Hon. Duncan Marshall, minister of agriculture of the province of Alberta, joins with the international officers in extending an invitation to attend and participate in the seventh congress and exposition.



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

With crop prospects in general as good as they are ever to be found in Illinois there is no reason why Illinois bankers should have any "hard times." The oats and wheat fields are wonderful to behold, and it is to be doubted if the oldest inhabitant can remember a year when the oats prospects were better than they are in 1912. In most fields the oats are as high as the fences and the yield of straw is most plentiful. There is naturally some anxiety lest some calamity such as wind, hail or beating rains will diminish the crop prospects, but optimistic observers believe that a record-breaking crop yet will be harvested. Continued rains have kept both the oats and the wheat green and the harvest will be late. Too much rain might, of course, decrease the yield of these cereals, but farmers are for the most part very happy over the crop prospects. Likewise the bankers.

Corn has made wonderful progress during the past two or three weeks. With seasonable weather, and with a late fall and delayed frosts there will be a large crop. Weather prophets hail with delight the idea that a late spring with continued rains all summer, as in 1912, tend toward a correspondingly late autumn, and this fact, if true, will mean much this year. With the corn greatly delayed in its planting and growth, an early fall with severe frosts will be almost a public calamity.

Pastures are good and live stock needs far less feeding than they did at this time last year, when the pastures were as "brown and seer" as ever a poet imagined a typical autumn to be. The abundance of straw, and the plentiful pastures will mean easy feeding conditions for both country and city. Gardens are "immense" and potatoes, so high last year as to be almost a luxury, will be plentiful and cheap. Many kinds of fruits have done well although it is true that there are no peaches and few apples. All in all, the year 1912 can be said to be a good year for Illinois farmers and bankers.

The farmer and his prosperity are synonyms nowadays and the sale of motor cars in the smaller cities, villages and in the country has been almost startling this year, and would be a "scary" proposition for bankers if it were not for the fact that the farmers and the villagers can well afford them. The man who is worried about motor cars bankrupting the

country should see the oats fields in Illinois now.

Politics seems to have but very little part in a consideration of financial conditions in Illinois as people are more truly interested in oats, corn, wheat, automobiles and good things to eat than they are in party politics. However, the political situation is watched with care, and it might be added, with weariness, and outside of new motor cars and more black land, Illinois people are guarding their expenditures with caution.

Bank Consolidation at Decatur

The consolidation of the old private banking house of L. Burrows & Co., of Decatur, with the National Bank of Decatur marks the passing of one of the oldest and most reliable private banks in Illinois. Established in 1852, eight years before James Millikin began a private banking business in Decatur, which has grown into the gigantic Millikin National Bank, the Burrows bank has continued business as a private bank for sixty years. No word of doubt about the soundness of L. Burrows & Co. is to be found among the business men of Decatur. The passing of the name of one of Illinois' ante-bellum banking houses is a matter deserving of comment.

This consolidation means that there will be but three banks in Decatur, and there are few cities of approximately 35,000 people in the country which have but three banks. Although numerically few, the Decatur banks make up in size and strength what they lack in number. Every banker in Illinois knows

the Millikin with its \$5,000,000 in deposits, outranked by only three or four other banks in the state outside of Chicago. The Citizens National with its colossal bank building also is another monumental business for Decatur, while the announcement of a palatial new home for the National of Decatur will place the newly consolidated institution in the same public eye as the Millikin and the Citizens. The National of Decatur now is considering plans for a new structure, there being three plans in view, one a monumental banking house two stories high to be used only by the bank, another for an eight or nine story office building, while a third calls for a stock company to erect a building in which the bank would be only a tenant. In any case the National Bank of Decatur will be one of the show places in that city of enterprise.

Shuman Home From Baltimore

Irving Shuman, cashier of the First National of Sullivan, past chairman of Group 7, member of the committee on agriculture and vocational education of the Illinois Bankers Association, "banker-farmer" of an enviable type as he lives on a fine farm at the limits of his city and banks in town, breeder of choice dairy cattle and Percheron horses and automobile lover, is home from the Baltimore convention where he was a delegate. Mr. Shuman takes an active part in politics, both

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national and local, and his friends believe that political lightning sooner or later will strike his direction with telling effect.

Illinois Notes

George W. Busey, president of the Farmers Exchange Bank of Fisher, and Garrett H. Baker, cashier of Busey's Bank of Urbana, with their wives, have returned from an extended automobile trip to Boston and return. The trip, made in a 1912 Marmon, was without engine trouble of any sort, and only incidental tire trouble.

Receipts in the Internal Revenue office at Springfield for the fiscal year ending June 30th passed this year the ten million dollar mark for the first time. The total was \$10,060,704, an increase of \$213,176 over that of the fiscal year ending June 30, 1911.

Howard B. Harter, who through "unsuccessful speculation" wrecked the Citizens Bank of Akron, Indiana, is now in custody in Chicago indicted with embezzling the bank's funds. Harter is anxious to return to Akron and face trial. He lost \$24,000 belonging to the stockholders and his own savings of \$15,000 in wheat speculation.

The \$105,000 bond issue of the board of education of Pekin has been sold to the firm of John Nuveen & Co.

Earle W. Butler, "jauntily attired in a white duck suit with a red cross seal upon his sleeve," asked in the office of the warden of the Joliet penitentiary to be released from bankruptcy. He is said to have lost none of "that debonair bearing which characterized him when he conducted his banks at Glasford, Ellisville and St. David" in Fulton and Peoria counties. The decision regarding his discharge will be made later.

Springfield Correspondence

That the Central Illinois Trust and Savings, Mattoon, Ill., is rapidly forging to the front rank of financial institutions in that section of the state is evidenced by the fact that effective July

1st, the capital stock of this bank was increased from \$50,000 to \$100,000. The deposits at this institution have also shown a healthy growth at the rate of about \$100,000 a year. When the bank was organized the deposits were \$100,000, and they were \$366,000 at the last report made. An increase will be made in the membership of the board of directors from nine members to eleven members. The bank has also created a surplus fund of \$35,000, which gives the institution a good working capital.

Adds to Surplus

The Litchfield National has during the past year increased their surplus from \$6,500 to \$10,000 besides declaring their regular 5 per cent dividend. This bank is one of the rapidly growing institutions of Litchfield, and its progress is greatly due to the management of Mr. Morrison, president; J. W. Kidd, vice-president; H. B. Herrick, cashier, and Frank Paden assistant cashier.

New Illinois Banks

A charter has been granted to the Newlin State Bank at Hutsonville, Crawford county.

The organizers were Allen, Stephen D., and Henry O. Newlin. The bank is capitalized at \$25,000. The Peoples State Bank of Flanagan, capitalized at \$25,000, and organized by Frank Swords, Chris Vollmen, Franz D. Malkwarf, S. Gueldenhaar and Thomas Dillon, was also chartered.

Held for Fleecing Springfield Bank

Palmer W. Halsey, alleged to have swindled the Ridgely National at Springfield out of \$480, appeared before Justice Reilly last week, waived preliminary examination, and was bound over to the grand jury on a \$1,500 bond. He failed to give bond and was committed to the county jail. Halsey was returned to Springfield from Kansas City recently, where he was located after a search of several weeks. The game he is alleged to have successfully worked on the Ridgely bank started when he deposited \$25 to his credit in the bank. A few days later he appeared at the bank and deposited \$25 in currency, and a worthless check for \$428. The next day he withdrew the entire amount in cash and left the city. He is said to have worked the game in other places.

Illinois Banking Notes

Frank J. Leonard of Rockford, Ill., a director of the Manufacturers National of that city, died at his home on July 4th.

Miss Mabelle C. Smick of Decatur was married on Tuesday of last week to Richard S. Davis of the Continental and Commercial National of Chicago.

The State Bank of Rock Island, Ill., is installing a new set of clocks which will be operated by electricity from a meter clock in the director's room. There will be four dials in all, two on Second Avenue. The clock is a mammoth affair, and the dial will be visible for blocks, and will be illuminated at night while pipe chimes will toll the hours.

The Carthage Dime Savings Bank will continue its regular plan of giving a nice prize to every child who makes three deposits during the summer.

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

A "veterans' dinner will be one of the opening features of the annual convention of the Wisconsin Bankers Association in Milwaukee, July 24th and 25th. The dinner will be held at the Hotel Pfister on the night of the 23d, the guests being restricted to members of the association who attended one of the first four conventions of the organization or have served it as president. Programs of the convention, which were distributed by Secretary George D. Bartlett this week, are printed on the watermarked safety paper adopted by the association for the use of its members last year, and bound in unique form with a complete marginal index. Principal among the out-state speakers who will address the bankers are William J. Burns, president of the Burns National Detective Agency, New York; Henry Israel, New York; and George L. McIntosh, Cleveland. The entertainment features arranged by the Milwaukee bankers include a dinner and concert at the Deutscher Club, theatre party, tally-ho ride through the Milwaukee parks, and visits to several of the larger industrial plants of the city.

Milwaukee Personals

Oliver Clyde Fuller, president of the Wisconsin Trust Company, will leave next week with his family for a trip through the Yellowstone National Park.

Vice-President Frederick Kasten of the Wisconsin National Bank, left his bed at the Milwaukee on Tuesday, for the first time

since he underwent a serious operation at the hospital several weeks ago. He expects to leave the institution this week.

Gen. Otto H. Falk, head of the Falk Manufacturing Company, and president of the Merchants and Manufacturers Association, denies the rumor that he will head the Allis-Chalmers Company to succeed D. W. Call. Mr. Falk is one of the receivers of the company under the recent bankruptcy proceedings.

Marshall & Ilsley Bank Building

Work on the interior finishing of the new Marshall & Ilsley Bank building on East Water Street began this week, the heavy construction work being practically completed. At the present rate of progress the building will be ready for occupancy by October.

Wisconsin Bank Directory

Walter Kasten, assistant cashier of the Wisconsin National Bank, is reading final proofs of the Wisconsin Bank Directory, which the Wisconsin National will distribute to delegates to the state convention.

Arrest Forgers

Two forgers were arrested by the Milwaukee police on Tuesday of this week and are being held for trial. Elizabeth Buche, aged 23, is charged with forging and uttering checks at downtown department stores totalling \$945. Ernest Hagen is charged with securing money on two bogus \$50 checks drawn on the Second Ward Savings Bank.

Annual Meeting of Gas Light Company

The only change made in the officers and directors of the Milwaukee Gas Light Company at the annual meeting this week, was the election of Fred W. Rogers to succeed Wilmer Sieg as director. The other officers are: President, A. B. Lathrop, New York; vice-president, Sheldon J. Glass; secretary-treasurer, Ewald Haase; directors, Emerson McMillin, New York; A. B. Lathrop, New York; E. J. Lindsay, A. K. Hamilton, Oliver Clyde Fuller, H. August Luedke, S. J. Glass and Dr. Nelson P. Hulst.

Wisconsin State and Mutual Savings Banks

A comparative statement of the total resources and liabilities of Wisconsin state and mutual savings banks issued by Bank Commissioner A. E. Kuolt following the call of June 14th, shows an increase of \$1,416,764.54, or a total at the time of the last statement of \$198,702,967.90. Deposits increased \$1,339,365.18. Five new banks were chartered during the period.

Decrease of \$1,000,000 in Agricultural Products

A decrease of \$100,000 in the value of agricultural products in Milwaukee county in the last ten years, is shown in the report of an investigation issued this week by the County School of Agriculture and Domestic Economy, a branch of the Agricultural School of the University of Wisconsin. Cereals, dairy prod-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	G. C. YAWKEY
GUSTAV RUESS	

ucts, potatoes, hay and fruits all show a decline during the period, root crops being the only ones that appear to have increased. The decline is laid to failure to maintain the fertility of the soil.

Bank Examiners for Unity

The state bank commissioner expresses himself as highly in favor of the plan to co-ordinate the work of the bank examiners of middle western states, discussed at a meeting of the examiners in Chicago, from which he returned on Saturday. The states represented were Wisconsin, Minnesota, Illinois, Iowa, North Dakota, South Dakota, Nebraska, Indiana and Michigan.

Wisconsin State Banking Notes

The incorporation of the Dalton State Bank, capital \$10,000, has been approved. The incorporators are: J. M. Koeser, F. J. Yahr, Richard Schultz, S. M. Vaughan and Charles Dalton.

The increase in the capital of the Randolph State Bank from \$40,000 to \$50,000 has been authorized.

The First National of Bessemer, Mich., has increased its surplus to \$50,000.

The Northern Michigan Building and Loan Association of Hancock, Mich., is contemplating the organization of a new banking house for Hancock.

July 15th is the date set for the consolidation of the Fox River Valley Telephone and Telegraph Company with the Wisconsin Telephone Company. On that day negotiations will be closed by the payment of \$135,000 cash and \$215,000 in first mortgage notes by the Wisconsin Telephone Company. The central offices of the independent company are in Appleton, where the purchasing company has recently completed a \$100,000 exchange.

Interest to be collected by the state for the first quarter on state deposits, is due Monday, but will not be received until about July 15th. The amount to be collected is less than \$23,000.

ARREST LOAN SHARKS

New York.—Armed with warrants charging violation of the banking laws the police this week raided the offices of five alleged loan sharks and made five arrests.

Philadelphia

The most novel consolidation plan yet devised for merging trust companies has been adopted by the Commercial and Trust Company of North America. The deal involves no increase in capital, but will be consummated by the exchange of 2,400 shares of Commercial stock and a transfer of the North American Company's building to a trustee, the trust to be capitalized at \$250,000. Holders of North American stock will get 25 per cent of their shares in these certificates of interest and 24 per cent in stock of the Commercial Trust Company. The merger is considered by trust company officials as one of the best that has yet taken place, in the sense that the Commercial secures control of nearly \$14,000,000 trust funds. The Commercial in order to pay for the assets of the Trust Company of North America, has options on the 2,400 shares of its own stock at \$425 a share plus interest, making the cost of the acquisition \$1,020,000.

William A. Law, vice-president of the First National of Philadelphia left on July 4th for a vacation in Europe.

CONDITION OF NATIONALS IN ILLINOIS

Washington, July 9.—A statement issued today by the comptroller of the currency shows that the 437 national banks in Illinois outside of Chicago held on June 14, 1912, the date of the last call for a statement of condition, a legal reserve to deposits of 16.70 per cent, and that the percentage of deposit of cash on hand, redemption fund and due from reserve agents was 23.92 per cent.

These 437 national banks had among their resources loans and discounts of \$172,284,056; overdrafts, \$1,440,962; United States bonds to secure circulation, \$26,476,190; United States bonds to secure United States deposits, \$2,988,500; bonds, securities, etc., \$31,314,583; owned banking houses, furniture and fixtures worth \$6,920,710; due from national banks not reserve agents, \$4,529,481; due from state banks and bankers, etc., \$2,854,135; due from approved reserve agents, \$33,165,093; notes of other national banks, \$1,748,135; and held lawful money reserve in bank of \$15,592,019, of which \$12,078,404 was specie and \$3,513,615 was legal tender notes.

The liabilities of these banks consisted

chiefly of the following items: Capital stock paid in, \$31,577,500; surplus fund, \$17,229,353; undivided profits, \$7,158,884; national bank notes outstanding, \$26,220,692; due to other national banks, \$2,592,570; due to state and private banks and bankers, \$9,356,485; due to trust companies and savings banks, \$1,629,490; individual deposits, \$205,117,455, and United States deposits, \$3,475,370.

SERIOUS ILLNESS OF B. M. CHATTELL

B. M. Chattell, cashier of the Illinois Trust and Savings, is ill at his residence at 4932 Lake Avenue from nervous breakdown. He is being attended by Drs. Webster and Schmidt and, it is believed, will recover. Mr. Chattell suffered last winter from an attack of grippe from which he did not fully recover. He was obliged to give up work some time ago on account of his condition, which prevented him from sleeping. It is said that he has neurasthenia. A brief stay at Atlantic City gave him no relief.

MINNESOTA PROCEEDINGS BOOK OUT!

Secretary Frost of the Minnesota Bankers Association seems to have broken all of this year's records in getting out his proceedings book for the convention held June 14th and 15th at the Agricultural College in St. Anthony Park. The book already has been delivered to the members of the association, and is as complete a reflex of the proceedings as it is possible to make. The illustrations are among the very finest to be obtained, and all of the valuable addresses are printed in full. The volume contains two hundred pages, and is fully indexed and neatly bound. So far as known at present Secretary Frost holds the record in expertness in getting out his proceedings volumes. Last year after the Minneapolis conference the whole matter appeared in book form in less than ten days. Some state associations require almost that many months for a similar performance.

VERMONT STATE BANKERS CONVENTION

The summer meeting of the Vermont State Bankers Association will be held at White River Junction, August 16th. C. S. Webster, treasurer of the Barton Savings Bank and Trust Company, is secretary of the association.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

WALKER HILL, President
EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, July 10.—Practically no change worthy of note transpired in the St. Louis monetary situation during the past week. Bankers report a gradual improvement in general business, with prospects considerably better than present conditions. The general verdict seems that the future, good or bad, is involved in the crop results. Good, or even fair yields, will doubtless turn the tide in favor of renewed activities, and put an end to the feeling of depression and quietness which has characterized the past few seasons. Financially the middle West is as strong as at any time in its history, but the element of confidence needed to turn loose the great streams of activity is lacking. It is conceded that more confidence is felt than a few months ago, when political uncertainties, added to the wheat scare, accentuated the feeling of unrest. While the political issue is still in doubt, it is known with a fair degree of accuracy what can and cannot be expected regardless of which party is triumphant in November. Specifically the market here is in better shape from the banker's viewpoint. There has been a gradual stiffening in rates, and the demand, both from the country and city, has picked up materially. Offerings of commercial paper are more plentiful, and rates on all classes of bills are a shade higher. The more seasonable weather has helped business, especially the retail branches. The railroad situation in this locality shows steady improvement, and all the big lines centering in St. Louis which serve the grain region, are making extensive preparations for crop movement.

Crop Outlook Good

On the whole the crop outlook is excellent. The cotton report was somewhat disappointing as to acreage, but recent reports from Texas and the other southwestern states, indicate that the condition will in a large measure offset the shrinkage in acreage. Threshing returns from the wheat fields are showing up excellently well, both in point of quality and quantity. In many places where it was reported that the broad acres had been plowed up, they are raising a third of a normal crop or better. The fruit crop will be a bumper one, hay has turned out well, and small crops generally, including potatoes, will far surpass last year.

Subtreasury Building Delay

The failure of Congressman Richard Bartholdt to get a bill through the House appropriating funds for the erection of the new subtreasury building on the southeast corner of Fourth and Chestnut streets, has been a sore disappointment to the financial district. The

site is occupied by an old structure, which has been advertised for rent. Local bankers have made inquiries of Mr. Bartholdt as to when it was probable the work would commence, and received the reply, "Not for several years." Mr. Bartholdt obtained the appropriation of \$300,000 for the subtreasury site while he was chairman of the house committee of public buildings. This has been invested in the property, but the funds for the building have not been obtained. Influence will be brought to bear to secure an appropriation at the next session of congress, as need for the new building is sorely felt.

Postal Savings Banks

Extensive developments are to be made in the postal savings banks in St. Louis beginning August 1, in accordance with a plan fostered by Postmaster Thomas T. Akins. About twenty-four branch offices will be made depositories for postal savings funds, and numerous other improvements will be put through. Mr. Akins says the system has been met with wonderful support in St. Louis, and the per capita deposits compare well with any other city in the country. The central bank will be continued in the main postoffice at Ninth and Olive streets.

Cornerstone Laid

The Belleville Savings Bank this week laid the cornerstone of its new building on East Main street, near the public square. Directors, and other local bankers, together with numerous visiting bankers from surrounding cities and members of the Commercial Club, were present at the ceremony. Emil Geil, president of the Commercial Club, made the opening address. Richard Hill, cashier of the institution, read a record of its history and financial condition, which with copies of local newspapers, were placed in the crypt. At the close of the ceremonies the participants were guests of the board of directors at a banquet at the Elks Club. The Belleville Savings Bank

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

is the second oldest financial institution in Illinois, having been chartered in 1859, and rechartered in 1909.

A. O. Wilson on Money Investigation

A. O. Wilson, vice-president of the State National, is for expedition in the so-called money trust investigation. Speaking on the subject Mr. Wilson said: "There is this to be said about this money trust inquiry. Let us have it and be done with it as soon as possible. Until the apparent distrust is overcome it will be difficult to accomplish any real results along the line of better banking and currency laws. Out here in the West we want to continue making the progress to which we are entitled. We do not want our natural advantages to be overcome by real or apparent economic difficulties in any other section of the country. We desire to encourage the improvement in business that has already commenced. In my opinion the best remedy for evils such as are complained of is not through congressional investigation, so much as through the medium of the bank supervising departments, state and national, that the laws with reference to excessive loans, loans to directors and their interests, and ownership of stock in chains of banks, be more rigid if need be. Let there be greater power lodged in the comptroller and bank commissioner for the enforcement of the laws, and let there be more severe punishment provided for those who violate such laws."

Opposed to Rate Advance

St. Louis financial institutions are likely to oppose the general advance on bank burglary insurance rates, which has been adopted by practically all the companies doing business in this field. Agents here claim they have not as yet received the new schedules, hence cannot tell definitely what the advance will amount to. The premiums on this class of indemnity in St. Louis total about \$60,000 a year. It is set forth by the insurance companies that the rate here is far below that of Chicago, New York and other large cities, but the banks take the position that it is high enough to enable the companies to make a good return on their risks.

New Casualty Company Organized

The Western National Casualty Company has been organized by St. Louisans and licensed by the Missouri Insurance Department as a mutual company to write life, accident and health insurance. The company has no capital stock and will issue non-participating policies only.

South Side Bank Re-elects

The South Side bank re-elected its eleven directors at its annual stockholders meeting

Directors:

HORACE E. ANDREWS
Pres. New York State Rys.

AUGUST BELMONT
August Belmont & Co.

AUGUST BELMONT, Jr.
August Belmont & Co.

DANIEL J. CARROLL
Pres. Alberene Stone Co.

HARDEN L. CRAWFORD
Pres. The Century Bank of New York

P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.

DESMOND DUNNE
Pres. Desmond Dunne Co.

ELLIS P. EARLE
Pres. Nipissing Mines Co.

O. G. FESSENDEN
Hayden W. Wheeler & Co.

ELBERT H. GARY
Chairman of the Board U. S. Steel Corporation

H. STUART HOTCHKISS
Vice-Pres. & Treas. L. Candee Rubber Co.

JOHN M. HANSEN
Pres. Standard Steel Car Co.

PARMELY W. HERRICK
Cleveland, Ohio

GEORGE M. HARD
Chairman of the Board

FRANK J. HEANEY
Everett, Heaney & Co.

AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.

RICHARD H. HIGGINS
Vice-President

Capital and Surplus
\$3,000,000

THE CHATHAM AND PHENIX NATIONAL BANK
New York

Directors:

FRANKLIN S. JEROME
Pres. First Nat'l Bank, Norwich, Conn.

LOUIS G. KAUFMAN
President

EDWARD E. LOOMIS
Pres. D. L. & W. Coal Co.

WILLIAM A. LAW
Vice-Pres. First Nat'l Bank of Phila., Pa.

FRANK R. LAWRENCE
Counsellor-at-Law

WALDO H. MARSHALL
President American Locomotive Co.

JOHN RINGLING
Ringling Bros.

EDWARD SHEARSON
Shearson, Hammill & Co.

HENRY F. SHOEMAKER
New York City

SANFORD H. STEELE
Pres. General Chemical Co.

ALBERT A. TILNEY
Harvey Fisk & Sons

FR'D'K'D. UNDERWOOD
Pres. Erie Railroad Co.

JOHN D. VERMEULE
Pres. Goodyear Rubber Co.

SAMUEL WEIL
Samuel Weil & Son

FRANK S. WITHERBEE
Pres. Witherbee, Sherman & Co.

JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.

LOUIS G. KAUFMAN, President

FRANK J. HEANEY, Vice-President

WILLIAM H. STRAWN, Vice-President

BERT L. HASKINS, Cashier

NORBORNE P. GATLING, Assistant Cashier

HENRY L. CADMUS, Assistant Cashier

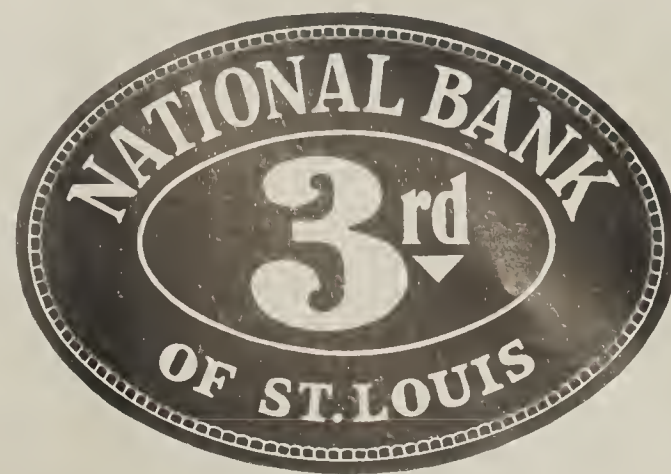
WALTER B. BOICE, Assistant Cashier

HENRY C. HOOLEY, Assistant Cashier

GEORGE M. HARD, Chairman

We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars



CAPITAL **\$2,000,000** **SURPLUS** **\$2,000,000** **DEPOSITS** **\$35,000,000**

C. H. HUTTIG - - - President	T. WRIGHT - - - Vice-President
G. W. GALBREATH - - - Vice-President	R. S. HAWES - - - Vice-President
J. R. COOKE - - - Cashier	H. HALL - - - Assistant Cashier
D'A. P. COOKE - - - Assistant Cashier	E. C. STUART - - - Assistant Cashier

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on Monday. On Tuesday the board organized and re-elected all the former officers, including Adolphus Busch, president; A. C. F. Meyer, cashier, and Otto J. Gossrau, assistant cashier.

OHIO BANKERS ELECT OFFICERS

At the twenty-second annual convention of the Ohio Bankers Association at Cedar Point last week, S. D. Fitton of Hamilton was elected president, succeeding W. P. Sharer of Zanesville; R. D. Sneath of Tiffin was elected vice-president. Secretary Stacey B. Rankin of South Charleston, and Treasurer S. J. Brister of Canal Dover were re-elected.

The association reaffirmed its faith in the reform program outlined by the National Monetary Commission as amended by the American Bankers Association, and expressed the belief that the early adoption of this reform would put the banking system upon the firmest foundation it has ever known. As a remedy for "the high cost of living" the association advocated the application of more modern methods in farming, together with steps toward an exemplification of what was described as the "fact that too many young men and women are leaving the farm." The bankers approved the conservation and good roads proposals as adopted by the constitutional convention.

CLEARING HOUSE EXAMINER FOR NEW ORLEANS

J. R. Stevens, of Huntsville, Ala., who has sent in his resignation as national bank examiner to become effective within a short time, is to become the clearing house examiner for the city of New Orleans, that city having recently adopted the method of clearing house examinations.

Indiana

Indianapolis.—Proposed plans for the reform of the banking and currency laws of the United States were the principal matters of discussion at a meeting of Group 4 of the Indiana Bankers Association at Maennerchor Hall. At the close of the meeting the following officers were elected:

President, John P. Frenzel, Jr., Indianapolis; secretary, Will H. Wade, Indianapolis. Executive committee, E. F. Cahen, Fortville; F. E. Davis, Tipton; M. A. Roberts, Jamestown; Wm. Adcock, Greenwood, and E. F. Hadley, Mooresville. Harry Wilson, of Indianapolis, was made a member of the nominating committee of the state association.

Although examination of the law under which the five savings banks of the state operate has not disclosed any specific authority by which the banks may pay interest on deposits, the state bank authorities will not attempt to interfere with the practice of paying such interest, now followed by the savings banks in Laporte, South Bend, Evansville, Lafayette and Terre Haute, where the banks are situated. Harry L. Arnold, chief clerk in the bank department in the office of the auditor of state, said the banks began the payment of such interest to meet the competition of other banks. The question of authority to pay such interest was raised by the United States department of justice, and the state department's finding on the Indiana law will be forwarded to the United States authorities.

Indianapolis.—The old building in Virginia Avenue, south of the Indiana National Bank, is being torn down to make way for a part of the new addition to the bank building which will cost about \$100,000. The addition will be

a handsome structure, and will double the office and lobby capacity of the bank. After August 1st, the building in South Pennsylvania Street, now occupied by the offices of the Merchants Heat and Light Company, will be torn down to make room for the remainder of the addition. The purchase of the additional property was made through Volney T. Malott, chairman of the board of directors of the bank, and the consideration was about \$100,000.

Indianapolis.—At the regular monthly meeting of the board of directors of the Indiana Trust Company, held last week, Charles H. Adam was appointed secretary to fill the vacancy caused by the recent death of Bement Lyman. Mr. Adam has been connected with the company practically since its organization, and has been assistant secretary for the last eight years. No action was taken toward naming an assistant secretary to succeed Mr. Adam.

Articles of association for State Bank of Goshen have been filed. The new bank will have \$80,000 in capital stock. A majority of the stockholders are business men of Goshen. Notice was filed also that the Evansville Savings and Loan Association has increased its capital stock from \$100,000 to \$1,000,000.

THRIVING TEXAS BANK

Farmers National Bank of Hillsboro, Texas, has just celebrated its twenty-fifth anniversary. This is the oldest national bank in Hill county. The success of the bank largely is due to the conservative management. W. M. Williams is the president. It enjoys the patronage of some of the most successful farmers and business men of Central Texas.

Editorial Comment

CHICAGO'S INCREASED BANKING POWER

The banking power of Chicago is five times as great as it was fourteen years ago, when THE CHICAGO BANKER was founded. We hope it isn't too much to say when we claim a modest part in helping to increase the banking resources and prestige of this great center. One year ago Chicago bank deposits had just passed \$900,000,000. At that time a general review of fifteen years of Chicago banking brought out evidence of the amazing growth of that era, the national banks gaining 276 per cent and the state banks 460 per cent. Fifteen years ago total state and national bank deposits were \$201,000,000. It will be seen they have grown to five times that amount. No one of the Eastern financial papers refuses to admit that Chicago is going to figure in the very center of things financial from now on. Notice has been filed twice within the past six months of our increased girth, for, in that period, Chicago banks twice have broken all previous records. The high point, so far as the joint calls of the controller and the state auditor show, was at the last call on June 14-15. At this time the deposits in state and national banks combined showed a total of \$1,008,909,270. In April they passed \$1,004,000,000. Not until this year had the total reached the billion mark. This, incidentally, is \$6,000,000 more than the high record for all Canadian banks. The state banks alone showed a total of \$521,000,000, continuing above the half billion mark. The national banks of the previous call had passed \$490,000,000. No reason for mentioning the specially large banks by name. Their growth hasn't been greater than that of the smaller ones; neither has the "big banker" done his part any more faithfully or effectively than his less pretentious co-worker.

Outlying or suburban bank development in and about Chicago has gone on at a pace which couldn't happen elsewhere—not even in a dream. It isn't strictly new either. There's the Austin State which in ten years has doubled actually its capital twice (four for one) out of surplus and yet has paid continuously handsome dividends. According to the recent call from the office of the state auditor there are now thirty-seven state banks in the outlying districts of Chicago. A dozen years ago there were six. Six years ago there were but fifteen. In addition to these thirty-seven, there are seven national banks in outlying territory. The state banks, in number, show an increase of 146 per cent in six years. In the matter of deposits the growth has been considerably larger. At the bank call of June, 1906, outlying state bank deposits of \$21,408,182 were shown. At the call of June, 1912, deposits amounted to \$62,500,000—an increase of nearly 200 per cent. These new outlying fields are promising as any in America,

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

and the light surface tillage for years carried on by the small private bank, with almost frequent failure, simply prepared the way for the well capitalized, incorporated institution which is making such a hit today. Ere long, let us hope, there will be but one kind of answer to the bank demand of any community in Illinois—the incorporated bank under supervision and inspection, with their attendant good management.

COMMENDS THE BALTIMORE CONVENTION

The influential Journal of Commerce, New York, comes out strongly in its editorial indorsement of Governor Wilson, the democratic standard bearer. Among other things it says that "There could have been no better outcome of the long contest over the democratic nomination for president at Baltimore than the candidacy of Governor Woodrow Wilson of New Jersey." The Journal gives Col. Bryan much credit for the ultimate choice of the Baltimore convention and comments suggestively that it was done without the aid of the much baited "Murphy delegation." In concluding its indorsement the Journal of Commerce says: "There is no doubt of the progressiveness of Wilson. It is of the advanced but not the wildly radical order. He is a man of unquestionable ability, thorough intellectual training, wide study and scholarship, and a talent for administration. He is an uncommonly persuasive speaker and writer,

Convention Dates

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.
WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.
NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.

and comes as near being a practical statesman as almost any man who could be mentioned now in public life. We have no reason to doubt his integrity of character and purpose, and he is above suspicion of tolerating anything crooked or corrupt in politics or public life. There is reason to believe that, clothed with the responsibility of high office, he will be a safe and prudent chief magistrate of the nation, if he should be elected. One great advantage of his nomination will be that it will leave no excuse for Mr. Roosevelt's third party movement in the cause of progressiveness, and will probably take out of it what life it might otherwise have."

With such strong, conservative papers indorsing Governor Wilson, and so many strong interests supporting Taft it is difficult to see where Colonel Roosevelt can obtain the necessary funds to man the polls in all the states, to hire halls, bands, speakers and newspapers, and to pay for "Orchestra halls." Then, too, La Follette wants him to publish the names of his contributors to the campaign before the Chicago convention and to tell what he did with the money. This the Colonel has not done, but he is likely to have much trouble in evading the La Follette demand without great loss of popularity.

B. F. HARRIS FOR GOVERNOR

Considerable "new life" has been injected into the third party question in Illinois by a rumor that B. F. Harris of Champaign, president of the Illinois Bankers Association, is being urged to accept the Roosevelt nomination for governor. Mr. Harris would add a great deal of strength to any political movement in Illinois, and there is a possibility that with his assistance the third term propaganda would show alarming strength in the state. Many persons affect to believe that the result simply would be the election of the democratic candidate, but the more enthusiastic of the third termers predict a clean sweep for the third party ticket.

ROAD ENTHUSIAST VISITS CITY

Charles P. Light, assistant to the president of the American Road Congress, visited Chicago on Monday. Mr. Light expressed the hope that the Illinois Bankers Association, Illinois Manufacturers Association, Chicago Association of Commerce and Illinois Highway Improvement Association, all will be represented by delegates at the American road congress to be held in Atlantic City September 30th to October 5th next.

IMMIGRATION TO THE SOUTHERN STATES

This week a conference was held at Washington, D. C., to promote the immigration of Dutch and Belgian farmers to the southern states, and this has brought to public attention a subject that has frequently been alluded to in the columns of THE CHICAGO BANKER.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☛ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☛ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

CENTRAL TRUST CELEBRATES TENTH ANNIVERSARY

Central Trust Company of Illinois celebrated its tenth anniversary on Monday, July 8th. When its president, Charles G. Dawes, retired from the office of comptroller of the currency, and after his determination to engage in the banking business in Chicago, he rented the then empty room at the corner of Monroe and Dearborn streets, formerly the old home of the Chicago National. Here he built up his organization and the nucleus for the present big business of the Central Trust in their new home at 125 West Monroe Street, one of the best appointed banking quarters in the United States. Unlike other comptrollers of the currency, Mr. Dawes did not organize a national bank, or take over the business of a national bank, but established as a state bank and trust company. To-day the capital, surplus and undivided profits of the Central Trust are six millions, and the deposits are around forty-five millions. The out-of-town banking business amounts to more than six millions, and this feature of the bank's business has grown rapidly.

OUT-OF-TOWN VISITORS

Among those who visited Chicago during the past week are George W. Boyden, vice-president of the Farmers State Bank, Sheffield, Ill.; N. F. Reckard, cashier of the First National of Batavia; W. A. Rule, formerly cashier of the Bank of Commerce, Kansas City, and now treasurer of the United States Mexican Trust Company of that city. Mr. Rule reports the prospects for good crops in the West and Southwest as very promising; S. B. Cook, president of the Central Missouri Trust Company, and W. A. Dallmeyer, president of the Exchange Bank, both of Jefferson City, Missouri. C. O. Patch, vice-president of the Security Trust Company, Detroit; W. P. Holland, president of the Clarksdale Savings Bank, Clarksdale, Miss.; J. C. Mitchell, secretary of the Denver Clearing House; Nelson H. Green, vice-president, Peoples Savings Bank and Trust Company, Moline; and W. J. Smith, vice-president, Old National Bank, Battle Creek, Mich., were also in the city.

2,000 MILES OF HAPPINESS

The above is the title of a very attractive ad. running in this paper and telling of the joys of a trip on Lakes Michigan and Superior to Mackinac. "The Soo" Houghton, Duluth and Port Arthur, Canada, lasting a week, one filled with delights to the traveler.

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Private Banking

Portland, July 11.—The following article is from the Pacific Banker, and ought to be of interest to those engaged in the good fight for supervision in your state. Following is the article: The two most important commonwealths in this country in which private banking is not regulated are Illinois and Washington. In Illinois legislation is hindered largely by the fact that the State Bankers Association will not take any stand on the subject. But in Washington this is not true. All through the proceedings of this convention on one dared deny the proposition that every form of banking should be supervised, and, indeed, in addresses and reports the affirmative of this was asserted in unequivocal terms.

From the President's Address

by Charles A. McLean, cashier the Traders' National, Spokane: "I believe in the most careful supervision by both state and national examiners of banks, and that the depositors of every bank deserve the best protection possible against dishonest and incompetent bankers. That protection must necessarily lie in adequate capital, with ample surplus, reasonably large reserves and good live assets. The confidence of the public can only be retained by these qualifications with the addition of capable and honest management.

"To protect well managed banks and their customers, the legislature of this state is in duty bound to pass a stringent banking law. Now is the time to begin the campaign by inducing conscientious men to stand in the primaries."

From the Report of the Protective Committee signed by the chairman, George B. Burke,

vice-president of the Bankers Trust Company, Tacoma: "Your committee believes that there will be no serious division of opinion in the membership of this organization; that the time has now come when the private banks in the state of Washington should be under the supervision of the state banking department. Such a provision in the law was favored by your committee at the last session of the legislature, but was looked down upon with disfavor by the majority of the legislators.

"In the light of recent events, however, it will not be seriously contended, we believe, that had at least one private bank that recently make a miserable failure been under the supervision of the state examiner, the loss to depositors would not have been nearly so great. In fact, had this particular bank been under the supervision of the state banking department, the chances are that there would have been no failure at all.

"Your committee believes that every bank doing business in the state of Washington should be incorporated under the laws of the state of Washington, or under the laws of the United States, but whether incorporated or not, any bank receiving the deposits of the people should be subject to some examination by the state or national authorities, and we trust that this convention will place itself on record by resolution unequivocally demanding that private banks be put under state supervision."

From Secretary Kauffman's Report

"The failure of several private banks emphasizes the necessity of so amending our state bank act as to place all financial institutions that solicit and receive deposits, under the control of the state examiner, and I believe that your legislative committee will be able to prepare and submit a banking law to the next legislature, which, while broad enough to allow our financial institutions to handle any volume of legitimate business, and meet any commercial exigency, will also through the ample power of surveillance and control given to the state examiner, protect the depositors from the reckless speculator or deliberate swindler. No banker is just to himself, or to his profession, who opposes the passage of a law whose purpose is to effect sane, conservative management, and to ensure fidelity in discharging the important trust committed to him."

PYTHIANS TO HAVE SPECIAL TRAIN

Knights of Pythias who attend the biennial convention of the organization to be held in Denver beginning August 6th, will be able to take a special train from Chicago, on the Rock Island, leaving Chicago Saturday morning, August 3d at nine o'clock. The train will be strictly up-to-date in every respect.



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E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier



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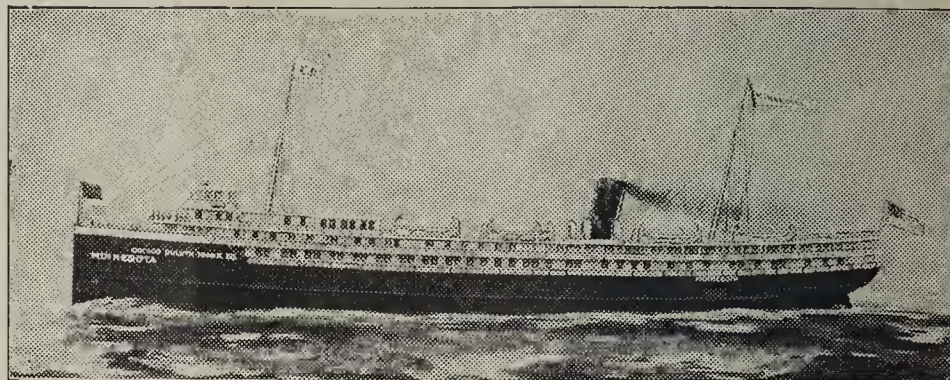
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MILWAUKEE

President John M. Kinard to South Carolina Bankers

Declares present banking laws of state unsatisfactory. Wants to be listed with progressives in agricultural advancement. Wants group system adopted in the association. Tribute to his fellow bankers

The annual meeting of this association is a matter of far-reaching consequence and importance not only to the bankers but to every business interest of South Carolina. It gives me much pleasure to greet so many of the members on this our twelfth session. Located as we are at the gateway to the Panama Canal it behooves us, representing as we do the business clearing houses of our state, to look ahead and prepare for the conditions that will confront us. That our whole state will be benefited by the opening of this ocean highway hardly admits of argument.

But it is well to take stock of our opportunities and do our utmost to bring about the realization or capitalization of the advantages which are ours by the location of Charleston, being "the most convenient port to Panama," as President Taft has so aptly phrased it. A glance at the map will show very clearly why this is so, and a moment's reflection will indicate clearly what has made the great cities of our nation. The location of Chicago destined it as a common meeting place or continental cross roads. The location of New York and other eastern ports being nearer to England and Europe, our chief markets, naturally attracted the overseas trade. And the same is true of our Pacific ports. Thus we see that trade follows the lines of least resistance.

The opening of the canal opens up to us vast opportunities for attracting trade to our southern ports, and the location of our own chief port appears to offer unusual advantages.

Many of the banking laws of the state are very unsatisfactory, and I would commend that this body go on record requesting our legislative committee to make vigorous attempts to strengthen its most pronounced and glaring defects during the next session of the legislature and work to that end without dismay or discouragement until accomplished.

More scientific agricultural methods are revolutionizing our farms and rural life. In this connection I recommend the appointment of a committee on agricultural development and education. South Carolina naturally is the best farming and producing state in the Union for diversified crops. We, as bankers, cannot disregard our self-interest as well as our obligation at large to foster and encourage more intensified and scientific farming.

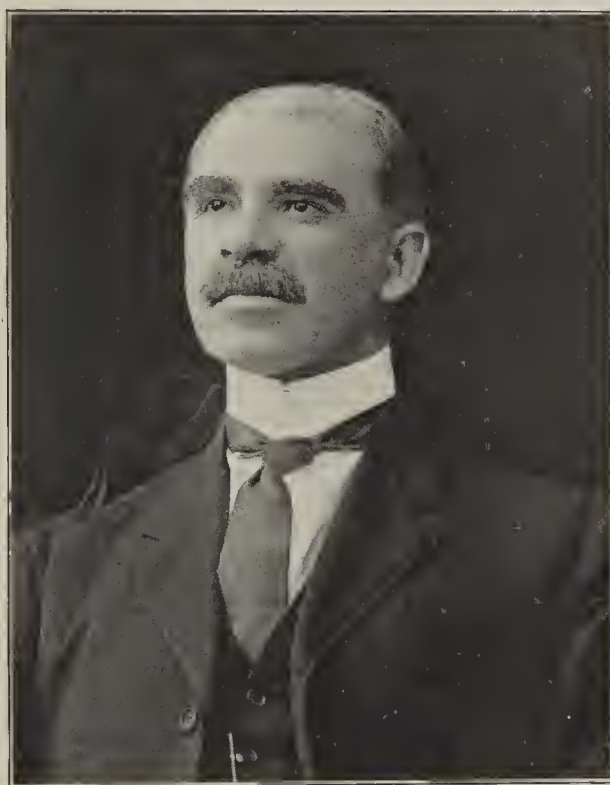
Another suggestion I wish to submit for your careful consideration is the adoption of what is known as the group system. Your executive committee a few years ago made a similar recommendation, and I can do no better than quote their words in advocacy of the needs, namely: "We desire to suggest to the association that it exert itself along the lines of fostering and advancing the knowledge and methods of banking among the young bank officers and clerks in our state who are rarely privileged to attend our meetings—young men who in a few years are to take our places, and it is our solemn duty to them as well as to ourselves that they be given every means of obtaining information and the advantages of personal acquaintance with one another, and the consequent 'brightening up' that comes from an exchange of ideas and discussion of subjects among themselves concerning the business in which they are engaged."

From some cause this suggestion did not attract your attention or arouse your interest. This system is in vogue in many states, and is universally regarded as a potent factor in developing and educating the young bankers, as well as a great source of strength and

power to the parent association in many ways that are obvious to you.

There is a demand to-day for ideals, and for constant struggle towards these ideals, and I would invite your attention to a few essentials which I conceive to be requirements in the discharge of the full duties of the ideal banker.

The bankers are not only the custodians of



JOHN M. KINARD
Newberry
President South Carolina Bankers Association

the nation's wealth, but they are the trustees of the nation's business confidence. It would be useless for me in this presence to recite the history of banking, its rapid evolution and development. With that you are all familiar. Its origin was in the necessity for a system of full faith and credit, and it has been nurtured by and has fed upon full confidence. Its growth has been wonderful. It is to-day a business whose ramifications are so extensive they can not be calculated. It touches every other business. It is the very heart of business.

The ethics of banking should be high. The ethics of the banker should be safe from even the faintest suspicion. I have no hesitation in saying that I believe the bankers of South Carolina will compare favorably in intellect, in moral endeavor, and in patriotism with the members of any other profession. But we should never make the mistake of being content with ourselves.

This brings us to a word in regard to the banker's field of activity in his community, and his duty to the community. The influence of the right kind of banker is large, and, as I have sought to emphasize, with increase of influence comes increase of opportunity, and increase of responsibility follows. There is always work to be done in the intellectual and

moral advancement of any community. The business of a bank is the commercial advancement of a community. The responsibility of the banker, however, does not stop there. The ideal banker should be a leader in all things that pertain to the best interests of his people. The ideal banker is not a mere custodian of other people's money, seeking to accumulate riches for his stockholders. The making of money is an important feature of the business of a bank, but the making of money is not the banker's sole duty. When a man enters the banking business he should not sell his heart and soul in his efforts to increase his surplus and to pay big dividends. I would not underestimate the importance and the value and the satisfaction of an increasing surplus, nor would I undervalue large dividends. Good bank statements show healthy conditions. But the very fact that a banker can point with pride to the statement of his bank's condition should be an inspiration to him in the great and inviting field of the true advancement, along all lines, of his people. I would not seek to enumerate the possibilities and duties in this line of endeavor. Each banker knows the needs of his own community. Each banker who keeps his vision clear and broad sees the opportunity and realizes the responsibility. Let us render unto Caesar the things which are Caesar's, but let us not forget that the things we owe to God's people we owe to God.

And how may the bankers aid in the direction and control of those world-forces necessary to bring about this great step forward towards the goal of human endeavor? What part have they in this world-movement which is in part the application of the greatest principles of justice and truth—this movement which looks towards the alleviation of human suffering and the great uplift of the race?

Why are wars fought to-day, and why is there international unrest and turmoil? International law and international rights are well settled, and the assimilation of one nation by another is being brought into international disrepute. The prime cause of the world's unrest may be found in industrial conditions. There is no doubt that there is a deep unrest not only in this nation, but throughout the world, to-day. In this unrest great movements for good may take root and flourish. On the other hand, great movements which tend in the other direction might find equally fertile soil. An age of unrest is an age of opportunity—of opportunity for good or for evil. The result depends upon the channels into which the great world-currents are directed. Unrest which comes from industrial conditions furnishes the field for the banker. There are problems presented to-day which must be solved, and which come peculiarly within his province. Upon their correct solution much depends.

I believe that the application of the right influence by the bankers of this nation upon the varied industrial and economic problems which are presented to us to-day would mean the balance of power in their determination. I believe that the right settlement of the conditions of unrest in the United States would place this country in that position which the highest patriotism feels is her destiny—the leader of the nations in settling the problems of the human race, and in settling them in the interest of the home, and in the fear of God.

In closing permit me to leave with you to
(Continued on page 21)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Bank clearings among the cities of the Central West have fallen off to a marked degree during the past few weeks. Oddly enough this situation causes no serious concern among the bankers of this section, however, as they are looking forward to a great increase in business as soon as the wheat crop is fairly started. Heavy withdrawals a month ago were made in order that country banks could take care of the farmers. As yet this money has not begun to come back to the market cities. A few car loads of wheat have been received at Omaha, Kansas City and other markets of the Central West, but the avalanche is not under way. The wheat crop of the Central West will be tremendous. If it does not break all previous records, it will come close to it. The corn also is in excellent condition and the same may be said of the cotton. There has been plentiful moisture all over the district. As the Central West depends almost entirely upon agriculture for its prosperity, the outlook is decidedly encouraging to all classes of business.

Predicts Bumper Crops

"Talk about fine crops," said R. C. Menefee, treasurer of the Commerce Trust Company of Kansas City, to a representative of THE CHICAGO BANKER last week, "I have just returned to Kansas City from a trip down through Oklahoma almost to the Texas border, and I never saw better crops anywhere. The wheat harvest, a golden crop, is now on in full sway. Corn is in great condition; they will have the finest crop of broom corn ever seen in that state. Oats are in good shape and a large cotton yield is assured. The farmers are also now getting their second cutting of alfalfa. This year should be a banner one for the farmers of Oklahoma."

E. F. Swinney

E. F. Swinney, president of the First National Bank of Kansas City, is a great admirer and warm personal friend of President Taft. On a recent trip East Mr. Swinney was a guest of the president at the White House and played golf with him on two afternoons. Mr. Swinney was with the president during the most exciting hours of the Chicago convention. All of which lends credibility to the report from Washington that Mr. Swinney will be selected as treasurer of the republican national committee. The Kansas City banker disclaims any knowledge of this report and says he will not discuss it in advance of definite information. His friends in Kansas City believe that Mr. Swinney is President Taft's personal choice for the honor.

G. W. Robinson of Wichita

George W. Robinson, president of the Security State Bank of Wichita, Kan., recently

made an address on "The Bank and the Average Man," in the course of which he said: "It is safe to say that the average man has a very hazy idea of what a bank really is. Of course he knows that it is a place where he can put his savings and draw interest on them and he is also undoubtedly aware of the fact that the bank will handle his checking account and keep his bank book balanced every month. Further than this he has a vague, general impression that the bank does a lot of work in connection with money affairs, stocks and bonds, real estate mortgages and other things of the kind, but just why or how this is done he does not attempt to discover until the day arrives when necessity sends him to the bank for advice or help, usually to discover that had he known something about what the bank could do, he would have gone to it sooner and so have avoided much worry and the loss of time and money.

"In the first place, there is no reason why the average man should have any different feeling towards the banker and his business than he has towards any of the numerous business men with whom he comes in contact from day to day. The banker, while compelled by the necessities of his profession to employ the highest degree of exactitude in all his transactions, is no different from anyone else and is just as anxious to please his customers as any

other business man could be. His work is of the highest importance and value to the community and includes many conveniences and accommodations without which the business world would be unable to progress.

"In addition to the general business of providing a safe depository for the savings of the average man and a convenient place for him to carry his checking account, the bank conducts a number of departments which, though used and understood by fewer people, are nevertheless of the most vital importance in the business economy of everyday life. The average man sometimes has occasion to seek safe and profitable investments for his surplus funds, and at such a time the experience and facilities of the bank are placed at his disposal and he receives, free of charge, advice without which he might fall into mistakes entailing heavy loss. There are plenty of investments constantly being offered to the average man, either through the newspapers and magazines or by his friends and acquaintances. Of these, a very small percentage are of any value at all, and if the average man made a point of consulting his banker before he put any money into highly advertised or recommended schemes there would be far less good money thrown away and far fewer dishonest promoters making an easy living from the ignorance or credulity of the general public. It will be seen that the average man, in not acquainting himself thoroughly with the workings of his bank, is making a mistake that is very likely, sooner or later, to cost him dear. It is a simple matter for him to avail himself of the opportunity offered by his banker and he will never fail to reap the reward of his foresight in some very material way."

New Texas Bank Examiners

At the quarterly meeting of the Texas state bank examiners with Banking Commissioner B. L. Gill in Austin last week new assignments were announced as follows: Dallas district, L. R. Buchanan; Houston district, George D. Campbell; Calvert district, J. H. Cheatham; Brownsville district, Reuben R. Cook; Stamford district, Louie Cohn; Waco district, L. J. Davis; Amarillo district, E. C. McCutchen; El Paso district, E. F. Gossett; Wichita Falls district, J. W. Hayes; Austin district, C. S. Holderness; Beaumont district, L. P. Kean; Tyler district, L. V. Myrick; Fort Worth district, W. L. McFall; San Antonio district, Paul G. Villaret, Jr.; Sherman district, John S. Wightman. Mr. McCutchen is a new member of the examining force, having been assistant bank clerk in the department. The examiners with their wives were entertained at dinner by Commissioner and Mrs. Gill.

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Central West Notes

Important changes in two of the largest banks of northern Kansas were announced last week when A. T. Rodgers and Dr. F. M. Daily, large stockholders in the First National Bank of Beloit, Kan., sold their stock to J. C. and Pete Eresch, big stockholders in the German National Bank of the same city. In the same transaction Mr. Rodgers and Dr. Daily took over the Eresch holdings in the German National Bank. The combined deposits of the two institutions amount to more than one half million dollars.

V. B. Curl, who has been identified with Oklahoma banks for many years, has become cashier of the Logan County Bank of Guthrie, purchasing the interest of H. B. Cockrum.

Articles of incorporation have been issued for the First State Bank of Murphy, Hamilton county, Neb. The bank will have a capital of \$25,000 and the directors are W. F. Farley, A. A. Farley, W. J. Farley, A. W. Hickman and W. E. Hickman.

The newest financial institution of Atchison, Kan., is the German-American Bank which at the end of its first week had \$60,000 deposits.

J. W. Dodson, who has been assistant cashier of the First National Bank of Waco, Texas, for eight years, has resigned and will go into private business.

The Exchange National Bank and the Central Texas National Bank of Waco, Texas, have consolidated under the name of the Central Texas Exchange National Bank. W. H. McCullough is president and W. W. Woodson is cashier of the consolidated institution.

Announcement has been made of the consolidation of the Coleman National, Coleman, Texas, with the Farmers State Bank of that place. The new organization will have a capital of \$250,000. H. R. Starkweather, president of the Farmers State Bank, will become active vice-president and director of the Coleman National.

A petition asking the pardon of F. S. Westfall, former cashier of the defunct Creek Bank and Trust Company of Sapulpa, Okla., who is serving a sentence in the state penitentiary, is being circulated throughout Oklahoma by Westfall's wife.

Hugh G. Ewing, receiving teller of the First National of St. Joseph, Mo., accompanied by Mrs. Ewing, left last week for Rio Grande Valley in Texas to inspect the irrigated land project in that valley in which many St. Joseph people have made investments.

The Colonial Trust Company of Hillsboro, Texas, has filed an amendment increasing its capital from \$300,000 to \$500,000.

The Talco State Bank of Talco, Titus county, Texas, has been organized with a capital of \$12,000. The First State Bank of Murchison, Henderson county, is also a new Texas bank, with \$10,000 capital.

The Fort Worth, Texas, national banks have declared their semiannual dividends as follows: Western National, 5 per cent; Traders National, 6 per cent; First National 4 per cent; Farmers and Mechanics National 5 per cent; American National, 5 per cent; State National, 5 per cent, and Stock Yards National, 4 per cent. The Exchange National did not declare

a dividend, but carried all its earnings to the undivided profit account.

Ex-Senator J. C. Morrow of Washington, Kan., died last week after a short illness. He was president of the First National of Washington and director of the Exchange Bank of Atchison, and was widely known throughout Kansas.

The following out-of-town bankers were in Kansas City financial district last week: M. L. Turner, president of the Western National Bank, Oklahoma City, Okla., and also one of the receivers of the Orient railway; George Piersol, president of the Oklahoma State Bank, Oklahoma City; R. E. Majors, cashier of the Farmers Bank, Windsor, Mo.; E. K. Steele, cashier of the Farmers and Commercial Bank, Holden, Mo.; A. N. Ruble, cashier of the First National Bank, Pawhuska, Okla.; M. B. Light, cashier of the State Bank of Winfield, Winfield, Kan., and Fred Dennis, secretary of the Oklahoma state banking board.

Ohio

Columbus.—In an opinion rendered State Bank Superintendent Baxter, Attorney-General Hogan held that authorized banks in Ohio, now doing business, may increase their capital stock after duly obtaining authority from proper quarters, and may retain in the treasury whatever proportion of such increased stock as it desires. The superintendent of banking had expressed a fear that such issues of stock should be entirely subscribed, and that the retention of any portion of it in the company treasury would be illegal.

Columbus.—Lewis J. Murphy, former assistant cashier of the West Side Dime Savings Bank of this city, recently discovered to have been appropriating about \$10,000 belonging to depositors for his own use in buying an auto and in theatre dinners and other high-life episodes, pleaded guilty to a charge of embezzlement in the common pleas court, and was given an indeterminate sentence to the Mansfield Reformatory.

The stockholders of the old Third National Bank, which institution was merged into the present Fifth-third National, are to receive a dividend of 6 per cent announced yesterday by the liquidating trustee. There are some remaining assets which are expected to yield a further substantial dividend in the future.

SOUTH CAROLINA BANKERS IN NEW YORK

New York, July 10.—The delegation of South Carolina bankers who arrived in this city on Monday night were the guests at a theatre party given in their honor by local bankers of prominence at Hammerstein's Victoria last night. Alexander D. Campbell, assistant cashier of the Hanover National, is in charge of the arrangements for the entertainment of the visiting bankers.

To-day the visitors will be the guests of the Hanover Bank at luncheon, and the opening of the new headquarters of the American Bankers Association will be an additional feature in which the guests are expected to participate. Later in the afternoon they will go to Coney Island and test the attractions of Luna Park as the guests of the Chase National, Hanover National, National Bank of Commerce, and the

National Park Bank. The automobile tour of the city and the trip around Manhattan Island by boat, which had been planned originally for Tuesday, has been postponed until to-morrow.

PRESIDENT JOHN M. KINARD TO SOUTH CAROLINA BANKERS

(Continued from page 19)

following beautiful creed, which I am sure you will adopt if you have not already done so, and for which I am indebted to one of the large New York banks:

"We believe in our country—the United States of America. We believe in her Constitution, her laws, her institutions, and the principles for which she stands. We believe in her future—the past is secure. We believe in her vast resources, her great possibilities—yes, more, her wonderful certainties.

"We believe in the American people, their genius, their brain, and their brawn. We believe in their honesty, their integrity and dependability. We believe that nothing can stand in the way of their commercial advancement and prosperity.

"We believe that what are termed 'times of business depression' are but periods of preparation for greater and more pronounced commercial successes.

"And we believe that in our country are being worked out great problems, the solution of which will be for the benefit of all mankind."

DEVELOPING A COMMUNITY AN ART

George B. Irving, 1958 South Sawyer Avenue, Chicago, has made a wonderful success of better town promotion. He delivers lectures before engineering and commercial clubs, conducts membership campaigns for boosting committees, raises industrial funds for promoting the same, and furnishes schemes for municipal advertising and general community conservation. Among the places where he recently has conducted campaigns are Idaho Falls, Idaho, and DeKalb, Ill. He has published a booklet entitled "My Town, or Community Patriotism," intended to inspire community conservation through a commercial club organization. It gives his plan, for creating a model town, and placing its advantages before the entire public from which advantageous increase in population might be made. It is a very interesting volume, and is supplied at fifty cents, postpaid, with special prices to commercial clubs, and others in lots of one hundred, or more.

BANK EXAMINERS TO UNITE

New York, July 9.—At the second day's session of the convention of national and state bank examiners at Brighton Beach to-day steps were taken to form an organization to be known as the American Bank Examiners Association. Resolutions were adopted providing for the appointment of a committee on organization, of which the chairman of the convention, Frank L. Norris, of Philadelphia, should be a member ex officio. Mr. Norris named the following members of the committee: George C. Van Tuyl, Jr., Superintendent of Banks of New York, chairman; Examiners Edwin F. Roredeck, C. A. Hanna, S. M. Hanna and Joseph A. Broderick, and George I. Skinner, first deputy superintendent of banks of New York.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

**Security National Bank
Of Minneapolis****Surplus and Profits****1902, \$ 160,000****1912, 2,100,000****Deposits****1902, \$8,000,000****1912, 20,000,000****INDIVIDUAL GROWTH—NOT CONSOLIDATION****The Spirit of Modern Banking**

Is to adapt general and specialized facilities to the individual needs of each customer.

In our relations with other banks and bankers our endeavor has been to realize in some measure this ideal of successful banking.

**Irving National Exchange Bank
OF NEW YORK***A Strictly Commercial Bank**Resources Over 50 Millions***Northwest Letter**

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

F. M. Prince, president of the First National, says that if the Northwest harvests 80 per cent of the grain which is now promised, Minneapolis will have notable business activity this fall. Money rates are as low now as likely and may harden as the demand for crop money comes in, but there seems no likelihood that the rate will go beyond reasonable figures. E. L. Mattson, cashier of the Scandinavian American National, returned from a trip, says: "The rains which came with the opening of July were beneficial. The crop which is now indicated is big enough, if we get it in safely, to make business active throughout the Northwest, when it begins to come to market."

"The news that we get," continued Mr. Prince, "is of a nature to inspire confidence and create optimism. The crop which now stands in the fields of the Dakotas and Minnesota could undergo 20 per cent decline from present indication of yield and there would still be enough to insure a total the marketing of which will start activity all along the line. Every man that comes into the bank from the country wears a smile. That was not the case last year at this time."

"We also note an improvement in the lumber business. This is true here and in the West, and there is not so much southern lumber coming up here this year. I would not attempt to discuss the lumber trade in detail, but will leave that for men who are in that industry and understand it. But the lumber trade is an index, and if we are able to say that there is a better condition in it than was the case in the recent past, that is important as reflecting conditions which are felt or will probably be felt eventually in general business."

"The Minneapolis situation looks favorable to me. I see nothing to prevent a very satisfactory fall business in all lines, if we get the present crop or within a reasonable degree of the quantity that the present outlook promises."

Minnesota State Banks

State banks in Minnesota report a reduction in real estate holdings and in overdrafts. Both are ends which the state superintendent of banks, Kelsey S. Chase, has sought. The gain in banks since the February call is six, making a total of 747. Loans and discounts were on June 14th, \$110,900,638, a gain of \$6,633,029. Overdrafts are reduced from \$393,405 to \$336,384. The deposits show an increase from \$118,037,691 to \$123,866,908. Checks and cash items are given at \$518,038, which is a decrease of \$176,636. The gain in furniture and fixtures amounts to \$78,646, leaving on the books \$4,295,780. Capital has grown from \$14,215,800 to \$14,393,800 and surplus totals now \$4,028,593 a gain of \$245,462.

W. G. Edens in Minneapolis

W. G. Edens of the Central Trust, Chicago, came up a week ago again to look over the Pythian books. He is a member of the finance committee of the supreme lodge, and visits Minneapolis often on that account. Mr. Edens was a guest at a dinner given at the Minneapolis Club for the visitors.

Death of George C. Power

George C. Power, president of the Second National, is dead after a short illness from pneumonia. He was born in 1858 at Burlington, Iowa, and has lived in Minneapolis since 1862. He left the high school at fifteen to become messenger in the Merchants National, and at the end of twenty-six years was vice-president. In 1899 he became national bank examiner for Minnesota and Wisconsin, and January 1, 1902, president of the Second. He was active in national banking circles, in Y. W. C. A. and Y. M. C. A. work at St. Paul, and a trustee of the Wilder charities, also director in the Minnesota Mutual Life Insurance Company. He was skillful in handling the loans of the banks, and the losses were too small to be figured. When he took charge of the bank its capital was \$200,000 and surplus \$135,000. The bank has since declared a stock

dividend of 100 per cent, and the capital is \$400,000 and surplus above \$500,000. Northwestern bankers attended the funeral Monday, and the state association, of whose executive council Mr. Power was a member three years, was represented by E. C. Armstrong, Albert Lea; L. A. Huntoon, Moorhead; A. G. Wedge, Jr., Bemidji; G. A. DuToit, Chaska; C. W. Gress, Cannon Falls. Active pall bearers were bank employees and the directors were the honorary bearers.

Prevents Bank Robbery

"Sdeath," murmured Assistant Cashier Frank Ferrin, First State Bank of Mantorville, Minn., through his teeth, at 5:30 P. M., July 1st. As he was closing the bank he found a three-foot hole in the corner of the steel-plated vault, reads a special telegram, which revealed the fact that burglars were going to blow up the safe. The deduction was strengthened by finding tools in a coal shed adjoining the wall of the vault. A watch was therefore placed on the vault, in human form, and nothing has been doing. Not even a suspicious character has appeared in all this time, notwithstanding the watch. C. D. Brown, the protective association detective, says the work was that of an expert. He had bored through three feet of masonry and was about ready to blow the safe when the work was found by Mr. Ferrin.

C. T. Jaffray Receives News of Brother's Death

E. G. Jaffray, brother of C. T. Jaffray, vice-president of the Minneapolis First National, is dead at Port Arthur, Canada. He was manager for the North American Live Stock Company's yards at Port Arthur. Once he was a member of the Minneapolis Chamber of Commerce and lived here twenty years. C. T. Jaffray is in England on a trip. There are two other brothers, at Windsor and Galt, Ont.

Banking Miscellany

Depositors of the Henderson State Bank, of Wessington, S. D., have received a cash

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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Detroit

payment of 50 per cent of their deposits. At the time the bank was closed it was announced that the depositors would be paid in full and the remainder of the amount may be disbursed by fall.

The directors of the new State Savings Bank at Gladstone, Mich., have elected officers as follows: President, Webster L. Marble; vice-president, George L. Slining; second vice-president, W. A. Foss; cashier, Wilber W. Gasser; assistant, Floyd W. Marble.

The First National of Gilbert, Minn., has completed a deal for absorption of the First State Bank. It purchased the latter's building and will move in.

Bronze paper-weights showing its first building and the present structure are being distributed by the Merchants National, St. Paul, in commemoration of its fortieth anniversary. In 1872 the capital and surplus was \$182,000 and the bank is now a \$2,000,000 institution.

The report of the South Dakota state treasury at the close of business, June 30th, showed a total of \$992,289.26 in all funds. The common school income fund carried \$207,302.38, and is being rapidly paid out, which will materially reduce the total. The general fund has \$441,118.07, and will carry the state on a cash basis until the receipts come in from the September call for taxes. The twine plant fund carried \$85,966.89.

C. E. Paulson is president of the State Bank of Twin Lakes, Minn., which has been authorized to begin business with \$10,000 capital. Ben Clement is cashier.

RETURNED FROM OHIO CONVENTION

William G. Edens, assistant secretary of the Central Trust Company of Illinois, who attended the sessions of the Ohio bankers' convention at Cedar Point last week, says that the address of President B. F. Harris of the Illinois association was so well received by the Ohio bankers that resolutions were adopted providing that the address be printed and circulated among the bankers of the Buckeye State. There was a good attendance and a strong program presented.

CHICAGO POLICEMAN STARTS BANK

Lieut. John Dawney of the Chicago police force has retired from that position and expects to start a bank to be known as the Dauphin Park Bank. He is reputed to have been the wealthiest policeman in the city, having extensive real estate holdings in various parts of Chicago. It is said that he is worth about \$200,000. He often has been termed a "walking real estate office." Many pieces of property for which he paid but \$50 were sold a year or so later for \$500. He is but 45 years old, and retires on a pension of \$75 per month. It is said that at one time or other he has held every lot in Dauphin Park.

Investment Bankers

Chairman Geo. B. Caldwell of the organization committee of the proposed Investment Bankers of America, has called a meeting of investment bankers at the Waldorf-Astoria, New York, at two P. M., August 8th. All of the applications for membership received by Secretary F. R. Fenton, First National Bank Building, Chicago, up to the date of holding that meeting will be considered charter members. The proposed constitution has had serious and expert attention and is as follows:

Preamble

In order to promote the general welfare and influence of investment banks, or bankers, likewise banking institutions operating bond departments, and to secure uniformity of action, both in legislation and methods of handling securities, together with the practical benefits to be derived from personal acquaintance, and for the discussion of subjects of importance to the banking and commercial interests of the country, which affect the investing public, and for protection against loss by crime, or through willful and irresponsible dealers in investment securities, and to surround the offerings of its members with greater safeguards, whereby they will enjoy the broadest markets possible, both at home and abroad, we submit the following Constitution and By-Laws for The Investment Bankers Association of America:

Constitution. Article I

Section 1. This association shall be called "The Investment Bankers' Association of America."

Article II

Section 1. Any national or state bank, trust company, private banker, or banking firm, having a paid-in capital of fifty thousand dollars, or over, and which buys and sells bonds for its own account, and which is engaged in the business of investment banking shall, upon the payment of annual dues, as hereinafter provided by the By-Laws, be eligible to membership in this Association and be entitled to one delegate to the annual meetings of the Association; and any member may be expelled from this Association upon a vote of two-thirds of the Executive Council.

Section 2. Branch offices not incorporated may send one delegate to the meetings of the Association upon payment of ten dollars for each delegate, but such firm shall have but one vote. Branch offices operating as a separate corporation shall pay the regular dues and enjoy the privileges of full membership.

Section 3. Each delegate representing a member shall be an officer or director or trustee of the institution represented, or a member of a banking firm, or private banker, or a manager of a department or branch office.

Section 4. Delegates shall vote in person;

and no delegate shall be entitled to more than one vote.

Section 5. All votes shall be viva voce, unless otherwise ordered, except as hereinafter provided; any delegate may demand a division of the house.

Article III

Section 1. The administration of the affairs of this Association shall be vested in the President, two Vice-Presidents, the Secretary, the Treasurer and an Executive Council of fifteen members, each of whom shall hold office for one year, or until their successors are chosen or appointed.

Section 2. The President shall preside at all meetings of the Association, and of the Executive Committee, countersign all Certificates of Membership, and may appoint such Committees from time to time as may be required for the conduct of the business.

Section 3. In the absence of the President, the Vice-President shall perform the duties of the office of President in the order in which they are chosen.

Section 4. The Secretary shall conduct all correspondence of the Association and shall have charge of all books, correspondence and the seal of the Association; shall have charge of the membership list and issue a notice of election to membership and certify to the Treasurer a list of the membership for the payment of annual dues. The Secretary shall keep a record of all meetings of the Association, and likewise all meetings of the Executive Council, of which he shall be a member ex officio.

Section 5. The Treasurer shall receive all moneys collected by the Association and disburse the same upon authority of the executive council, approved by the president or secretary. He shall send notice to the members of their annual dues upon the certification of the membership list to him by the Secretary, and shall keep a correct record of all moneys coming into his hands from all sources and report the same, and make an annual report to the Association; he shall give a bond to the Association in such sum as the Executive Council may require.

Section 6. The Executive Council shall, as soon as may be after their election, divide themselves by ballot into three classes of equal number, designated as first, second and third classes, of which the first class shall remain in office one year, the second class two years and the third class three years, and on each annual election members of the executive council shall be elected for a term of three years to fill the vacancies of the retiring class.

Section 7. The Executive Council shall determine the time and place of their meetings and of the regular annual meeting of the Association, and shall have power to fill all vacancies until the next Annual Meeting, and to adopt all necessary rules for governing the business of this Association.

Section 8. The Executive Council may be called together at any time by the Chairman thereof, at the request of three of its mem-

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

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R. V. ANKENY, Cashier
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bers, and shall be vested with full power to transact such business as may have been authorized by this Association, or as may be required in furtherance of the interests of the Association, and shall also fix the annual dues of its members and direct the disbursement of the same. Any five members shall constitute a quorum.

Article IV

Section 1. The expenses of the Executive Council of the Association, as well as of all officers and committees, in carrying out the business to be done by them, shall be provided for by annual dues of the members of the Association, provided, however, that the Executive Council shall have no authority to incur or contract, on behalf of this Association, any liability whatever beyond the amount of the annual dues and moneys especially collected.

Article V

Section 1. Resolutions or subjects for discussion (excepting those referring to points of order or matters of courtesy) must be filed with the Secretary at least ten days before the annual convention, and submitted to the executive council at its regular meeting preceding the Convention, but any person desiring to submit any resolution or business in open convention may do so upon a two-thirds vote of the delegates present.

Article VI

Section 1. Any member failing to pay his dues for a period of three months, after receiving notice, shall be considered as having withdrawn from the Association, but may be reinstated upon application to the Secretary and paying all dues in arrears, with the consent of the President or Chairman of the Membership Committee.

Article VII

Section 1. The fiscal year of this Association shall begin September first and end August thirty-first, and the Association shall meet and the annual meeting and election shall be held sixty days thereafter for the election of officers and members of the Executive Council, and the Association may be called together at any time by order of the Executive Council.

Section 2. At all annual meetings, the members of the Association may be represented by one delegate each. At these annual meetings, there shall be presented for discussion such topics as will be of interest to its members, together with the reports of the officers and various standing committees.

Article VIII

Section 1. Notice shall be given to the Executive Council of the Association at least thirty days prior to the annual meeting of any proposed amendment to the Constitution or By-Laws, excepting that the Constitution may be amended at any annual meeting by a vote of two-thirds of the members present, notice of the proposed amendment having been submitted to the Secretary and by him to the Executive Council and unanimously approved by them.

Article IX

Section 1. Immediately following the annual meeting, the President shall appoint the following Committees to consist of not less

than three and not more than five members, viz:

Committee on Membership,
Committee on Legislation,
Committee on Finance,
Committee on Auditing,
Committee on Program for Annual Meeting.

Spokane

Spokane.—At a meeting of all the bankers located west of the Cascade Mountains, held on the steamer, Nisqually, and presided over by Robert Moody, of Everett, it was decided to form two groups in western Washington, similar to the groups already formed east of the mountains. The groups, to be known officially as Group 3 and Group 4 of the Washington Bankers Association, will be composed of, in the case of Group 3, all the banks from the north line of Pierce county to the state line in the South and the Pacific Ocean, and the Cascade Mountains in the West and East, and in Group 4, the banks north of the Pierce county line. Two committees composed of three men each from each of the two sections were appointed by the chairman, and in the near future meetings of the various banks will be called to organize, and to consider constitutions to be presented by the committees. The group east of the mountains have been very successful, holding two meetings annually to discuss subjects that are of vital interest to the particular section that they represent,

but which might not be of enough general interest to warrant consideration in the annual convention of the association.

EDMONTON HAS RAPID GROWTH

Edmonton, Alta.—Edmonton has once again demonstrated that it is the most rapidly developing city of its class on the North American continent. Four hundred and fifty-four building permits, involving \$2,584,535, were issued in June, as compared with \$357,927 in June, 1911, and \$233,570 in June, 1910. The permits issued the first six months this year mean a total expenditure of \$7,762,022, as against \$1,620,431 for the same period in 1911, and \$1,154,576 for the first half of 1910. Building operations in 1911 amounted to \$3,672,260 and \$2,159,106 in 1910. The estimate for 1912 is \$12,000,000.

Bank clearings in June (24 banking days) amounted to \$17,135,856, as against \$9,689,373 for the same month in 1911. Clearings for the first half of this year totaled \$100,227,747, as compared with \$51,820,696 for the same period a year ago. The total clearings in 1911 were \$121,438,394 and \$71,633,115 in 1910.

Wholesale and retail dealers in Edmonton report increases in trade amounting to more than 50 per cent during June over the same month in 1911. City and country property is active and prices are correspondingly higher than a year ago. Lands adapted to diversified farming near the city and lines of communication are in good demand at good figures. The building of new railway lines and the establishment and extension of branches into the interior and northern country, of which Edmonton is the key, is opening to development and settlement large areas of rich agricultural lands in the district and is the direct means of widening existing markets, as well as creating new ones in all lines of trade.

The discovery of natural gas at Tofield, Alta., 50 miles from here, where a well with a daily capacity of 1,500,000 to 2,000,000 cubic feet was tapped recently, means new industries for Edmonton and the surrounding country. The municipality of Tofield is arranging for the expenditure of \$50,000 on a distributing plant. The city of Edmonton, the Board of Trade and the Citizens League are negotiating with several large firms in eastern Canada and in the state of Washington to establish factories and branch houses in the local industrial districts, where the municipality has 240 acres of land.

Natural gas at pressure, which experts say will insure a flow of from 1,500,000 to 2,000,000 cubic feet every 24 hours, was struck at Tofield, 50 miles southeast of Edmonton, on June 22d. The flow started at 1,054 feet. The well-drillers have been employed by the municipal corporation the last 12 months, the expense to date being \$11,000. The discovery is of importance to Edmonton, meaning cheap fuel, light and power, and making possible an increased industrial development. The strike is the sixth within a year. The others were under light pressure and soon "petered" out, as predicted by experts. The present flow is said to be a permanent character, and will be developed.

Philadelphia.—E. P. Passmore, cashier of the Franklin National Bank, has been elected vice-president. He will continue his duties as cashier in addition to those of his new office.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

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T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

West Virginia Takes up the Agricultural Problem

West Virginia imports nearly as much food-stuff as it produces.

At least 65 per cent of the food-stuffs consumed by towns and cities are imported.

Not over one-third of the products of our farms are sold, at least two-thirds being consumed on the farm.

The last two statements may be readily deduced from a consideration of production in relation to importation. The U. S. Department of Agriculture reports that for the last ten years an average of but 6 per cent of our corn was shipped out of the county where produced, 15 per cent of the wheat, and 4 per cent of the oats. This means that these crops are practically consumed on the farm. Of the \$22,672,083 produced by the five crops named, probably not over \$5,000,000 is sold from the farms, as against nearly \$10,000,000 worth of the same crops imported from outside the state. Of the total farm products of the state, probably not over one-third are sold off the farm, or about \$20,000,000, as compared with \$50,000,000 paid for imported food.

About one-third of the amount of food-stuffs now imported might be raised on our farms without increasing the acreage, and with an increased profit per acre, by the use of better methods so as to give a larger yield per acre.

In short, with an increased profit per acre, we might increase the production of the land now in use by at least \$15,000,000 per year; this could be done indefinitely, and the system of farming which would produce such crops would tend to improve the land much more than at present.

We make a great ado over our production of oil and gas, each of which is worth about \$17,000,000 annually, which goes into relatively few hands, while we have overlooked the fact that an equal amount of wealth might be added to the state by increasing our agricultural production on land now tilled.

"But," you say "is this really possible? Is this not merely the day-dream of a college professor?" I assure you that it is entirely feasible, and that the figures of possible increased production are purposely extremely conservative. The fact is, as is well known to those who have observed farming and farmers, that if the best methods now in use were used by all our farmers the production could be doubled or trebled.

However, let us examine the facts concerning a few crops, and seek their significance.

Production May Be Greatly Increased

Corn is our leading crop, and produces about one-third of our crop values. The average yield per acre was 25.3 bushels per acre in 1899, which was a good year. According to reports of West Virginia farmers to the U. S. Department of Agriculture, it cost them \$16.21 an acre to raise corn, their yield averaging 34.7 bushels. This would leave them a profit of \$4.61 per acre with corn at 60 cents. It costs practically as much to raise 25 bushels as 37 bushels, but the smaller crop pays only wages for labor and interest on the land but no profit. Most of you would call a nine-ounce ear of corn a "nubbin," as it is only $6\frac{3}{4}$ inches long; but if we could get but one such "nubbin" on but one stalk in a hill, with hills $3\frac{1}{2} \times 3\frac{1}{2}$ feet, we would secure the average yield per acre for the state. Any farmer would resent it if you insinuated that he could not get two such ears per hill, but two per hill would yield 47 bushels per acre.

The fact is that most of our farmers are planting seed that will not germinate, and so

Dean E. D. Sanderson, of the College of Agriculture, tells the bankers convention at White Sulphur Springs what can be done to place farming on a paying basis

secure but half a stand. The cost of production of 25 or 47 bushels per acre is practically the same, but the former or average yield means no profit, while the latter means \$11 profit; at least \$5 per acre may be realized from the simple process of testing the seed corn. That the yield can be increased is shown by the fact that in Randolph county, whose average yield is 34 bushels per acre, two men last year produced over 100 bushels per acre. There is not a piece of land in the state fit for corn that will not produce 40 bushels per acre if rightly handled.

Furthermore, when we study the statistics as regards maintenance of fertility, it is evident that the soil is being mined and not farmed, for there is no return to it of the plant food removed. It is evident that our farmers have not come to appreciate the profitableness of commercial fertilizers. Neither are they maintaining fertility by barnyard manure, for the live-stock kept are entirely inadequate to return more than a fraction of the fertility to the land, and fully half the manure is wasted.

There can be no question, therefore, that, through use of better seed, deeper plowing, fertilization, and cultivation, the yield of corn can be very greatly increased, with corresponding profit.

The same is true of our hay crop. According to the U. S. Department of Agriculture, the average yield for West Virginia from 1896 to 1905 was 1.34 tons per acre, and from 1903 to 1908 it was 1.44 tons per acre. In 1909-10 it dropped to 1.25 tons, but according to the thirteenth census was only .9 ton per acre. Obviously, it is entirely possible to increase the yield to 1.3 tons per acre. On the experiment station farm at Morgantown, land which when bought produced not over half a ton

per acre now produces three tons per acre at a good profit.

We are importing nearly \$1,000,000 worth of dried beans per annum, and producing less than 10 per cent of that amount. The yield per acre in 1909 was less than half that of 1899 for the United States.

Nearly 2,000,000 bushels of potatoes are imported; yet there is no finer country for potatoes than many of our upland counties, a few of which could produce all now consumed in West Virginia, and have some left for export.

Returns from three towns showed importation of 27,680 cases of eggs, valued at \$323,700. It is known that this is but a small per cent of the eggs imported. The census shows that there are but 37 fowls per farm in West Virginia, while Pennsylvania, Ohio and Maryland average 64 per farm. This state is admirably adapted to poultry; and if the number could be doubled it would increase the net revenue to the state by something over \$3,000,000, and we would have no occasion to import eggs.

Sufficient has been said to show that our agricultural production may be greatly increased on land now tilled, and were it necessary corroboration might be secured from the results of scores and hundreds of West Virginia farmers who are securing high yields by the use of brain rather than brawn.

But besides increasing our yields we need the development of hundreds of thousands—even millions—of acres now not farmed or practically undeveloped. West Virginia has room for several times her present rural population, which unfortunately is decreasing instead of increasing in the best agricultural counties of the state.

The High Cost of Living Affects All Industries

Furthermore, we are all feeling the increased cost of living. Statisticians tell us that prices will probably be higher in the future, and that if our production does not very materially increase the next generation in this country will not produce more than it consumes. This increased cost of living falls more heavily on the poor than the rich, and affects wages and values in all lines of business. Increased production of gold may cause high prices; but we know that prices will surely rise if crops fail. Therefore, ample crops are a fundamental factor in determining the cost of all business.

Thus agriculture is of importance to the business world, both as one of our three leading industries contributing to the wealth of the state, and because it is a large factor in determining the living conditions of the workers in all occupations.

The Agricultural Problem One for Business Men

It is unnecessary to carry this discussion further. The figures quoted speak for themselves, and need no argument to convince this body of business men that it is high time that business men take hold of the agricultural problem as a business proposition.

During the last two or three years, many of the state bankers associations have taken a keen interest in supporting state and national campaigns for better agriculture. As usual, this movement did not originate in states which most needed agricultural development, but in the great farming states of Illinois, Minnesota and North Dakota. This movement of

(Continued on page 27)

**THE COAST LINE
TO
MACKINAC**



**DETROIT
CLEVELAND
BUFFALO
NIAGARA FALLS**

**TOLEDO
PT. HURON
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Spend your vacation on the Great Lakes the most economical and enjoyable outing in America.

Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay.

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Iowa Banking News

By W. C. JARNAGIN

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 C. S. HARRIS, Asst. Cashier

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An Up-to-Date, Conservative, Commercial and
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Accounts of Iowa banks invited. Reserve agents for national banks

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on
 Monday, July 15, 1912, to stockholders of record at
 the close of business on Saturday, June 29, 1912.

WILLIAM R. DRIVER, Treasurer.

Des Moines, July 10.—S. T. Shade, president of the Iowa Bankers Association, will probably increase the number of committees when he completes the list upon which he is now working. While in the city for two days last week, Mr. Shade consulted with Secretary Hall anent this subject. It is anticipated that the committees will be exceptionally strong. President Shade has considered the appointment of a program committee which will be in charge of the program at the state convention next year. He has also considered the naming of an enlarged legislative committee. This will include, if the plan is carried out, the usual legislative committee and in addition a representative from each group. The legislature meets next winter and this committee will be of greatest importance. Secretary Hall, however, is inclined to doubt the advisability of a committee so large. In sessions gone by, bankers have not always been successful in exerting influence in favor of legislation. Witness the present taxation law for instance. A smaller committee might be better able to secure legislation which the bankers need, Mr. Hall believes. One new committee will be an obituary committee. Heretofore, the secretary has not been able to gather entirely accurate information relative to the death record of bank officials and directors. Mr. Shade will name a committee which will assist in this work. Secretary Hall is sending out letters urging the bankers to send in full reports of deaths with date of birth, name of bank and date of death. In this way it will be possible to keep the obituary record more complete than ever before. President Shade will name a new time lock committee. It is anticipated that the committee will be ready for publication within a short time.

Bold Attempt at Bank Robbery

Charles Clark, aged 15, a lad who apparently has confined his literary pursuits to reading the life and adventures of Jesse James, made a desperate and foolhardy attempt to rob the bank at Rome near Mount Pleasant last Friday afternoon, and paid for his folly with his life. Just as Cashier J. N. Heilmann was putting away the money for the day, Young Clark drove up, left his horse and buggy in front of the bank and strode into the institution. "Throw up your hands," he shouted, as he levelled a revolver at the cashier's head. As the bewildered cashier complied, Clark grabbed \$800 in money and backed out the door, shooting Heilmann through the left arm on the way out. Once outside, Clark leaped into the buggy and started off with his horse on the dead run. A crowd gathered and within a few minutes was in hot pursuit. Two automobiles full of armed men overtook the boy, who abandoned the horse and buggy and took to the fields, stopping to fire at his pursuers as he ran. One shot, fired point blank at an automobile

full of men, caught J. J. Loughlin through the shoulder and another shot William Basham through the abdomen. After several shots were fired, the young desperado fell mortally wounded. It was found that he had a dozen bullets in his body, one of which had pierced his heart. Four revolvers were found on his clothes. The money was recovered.

E. J. Curtin Presented with Gavel

E. J. Curtin, of Decorah, former president of the I. B. A., at last has his gavel, a fine solid ivory token of the esteem in which he is held by the members of the association. The gavel was not finished when the state convention met, so it was not sent to Mr. Curtin until a week ago. The former president writes that he has placed the gavel in his home so that his children may use it in pointing out to visitors "what a great man their father once was." Incidentally Mr. and Mrs. Curtin are off for Yellowstone Park for a month. At Decorah there is a whist club of eight couples which has played the game for sixteen years and not a couple has dropped out. Mr. and Mrs. Curtin belong. This club has a special car and the entire party makes up the group at the Yellowstone.

Fourth of July Prank

A fake bank robbery at Mitchellville was one of the events of the July Fourth celebration there. This is something new in the way of Fourth of July amusements but it at least has the quality of being original and unique. The Mitchellville City Bank was opened for business on the Fourth to accommodate the country patrons. Suddenly three masked men drove up in automobiles, darted into the bank, dashed behind the counter and grabbed three sacks of money which they conveyed to the automobile, at the same time keeping up a heavy fire from their big revolvers. The latter were pointed upwards, however. The scheme worked well, and when the automobile started down the streets with the artillery in full swing, it was a most excited crowd which followed. The city marshal gave chase with a hastily formed posse. A few miles out the men were captured. They were brought back to Mitchellville and unmasked. Then it developed that the trio were prominent Mitchellville business men. It was a great joke and was highly enjoyed.

Calls Attention to Protective Department

Secretary P. W. Hall is sending out letters calling the attention of the members of the I. B. A. to the splendid showing made in the quick arrest and conviction of the bank robbers who did the Cylinder job. He calls attention to the fact that the I. B. A. has sent five desperate yeggs over the road in the past six months and reminds the bankers to have their burglary insurance written through the association as, in that way, the commission goes into the protective fund to enable the

officers to continue the good work of catching crooks.

Resignation of A. Piatt Andrew

Iowa bankers have been interested in the resignation of A. Piatt Andrew from the treasury department and his letter attacking Secretary MacVeagh. Andrew was in Des Moines in company with Senator Nelson A. Aldrich when the latter was a guest of the Des Moines Bankers Club two years ago. Homer A. Miller, president of the Iowa National of Des Moines, was born at LaPorte, Ind., the native town of Andrew. Mr. Miller regards Mr. Andrews as a man of ability, although he says that since he came to Iowa he has not kept in close touch with either the retiring treasury official or his family.

Gain in Clearings

Des Moines bank clearings made a gain of nearly two million dollars for the month of June, as compared with the total clearings for June last year. Of course, the members of the clearing house association are well pleased at this showing. The total for the month was \$18,129,541.95 this year, which is \$1,841,190.53 greater than last year. Totals for the final week in June totaled \$4,087,507.99, an increase over the corresponding week last year of \$752,070.29.

Changes in German Savings of Des Moines

Important changes were made in the German Savings of Des Moines at the annual meeting held Monday afternoon. John Cavanagh, president of the Valley Junction Savings at Valley Junction, completed the purchase of 260 shares of stock held by the estate of the late James Watt and was made vice-president, succeeding James O'Donnell. The latter retires to look after his interest in other banks in the vicinity of Des Moines. Ill health is a factor in his retirement. Charles M. Weitz was made director, succeeding C. Huttenlocher. The usual 8 per cent dividend was declared. Mr. Cavanagh's election as vice-president will be of material assistance to the German Savings. He is one of the most popular of the younger business men and has been conspicuously successful as president of the Valley Junction institution and of the Rippey State at Rippey. Jesse O. Wells remains as president of the institution and John Hogan remains as cashier.

Iowa Banking News

Although the courts held that a codicil to the will of the late Oliver H. Perkins bequeathing 100 shares of stock in the Des Moines Savings to Mrs. Eliza A. Roscoe of Dover Plains, N. Y., was invalid because not witnessed, the administrator has chosen to grant the bequest as intended by the testator. Mrs. Roscoe accordingly receives the bank stock, \$10,000 in cash and \$700 annuity. The recipient is required to pay the collateral inheritance tax on the \$10,000. She is a niece of the deceased.

Polk county is in earnest in going after the taxes which the supervisors claim are owing here by parties who have removed to the West or out of the state. E. C. Worthington, who was put out of a job when Iowa abolished the tax ferret law, has been put in charge of the collections. He will put six clerks to work. He declares that he will collect not less than a cool million dollars from the "expatriates." Of this amount he gets ten per cent.

Simon Casady, president of the Central State, Des Moines, has been named to administer the estate of George and James Hanley of Granger. These two men were killed when the automobile in which they were riding en route from Chicago home was struck by a Northwestern train near Geneva. Both

the Hanley brothers and Mr. and Mrs. Nils Anderson, who were with them, were killed. It is estimated that their estate is worth close to a million dollars. The four victims were exceptionally popular at Granger and because of the accident occurring just before July 4th, the celebration which Granger had planned for Independence Day was abandoned.

The State Bank of Woolstock is a new concern which has filed articles with the secretary of state. The capital stock is \$30,000. The officers are J. W. Tatham, president; J. N. Olmstead, vice-president; N. C. Olmstead, cashier. F. A. Doolittle, H. A. Eames and W. J. Covil are additional directors.

The Exchange State of Wesley, Kossuth county, has filed articles with the secretary of state. The capital stock is \$30,000. C. J. Sherman is president; George M. Butts, cashier. John Uhendahl, F. L. Adams, Jacob Faber, Joseph Loebig and Joseph Hamptman are directors.

The German Savings of Gilbertville has filed articles with the secretary of state. The capital stock is \$30,000. The incorporators include Martin Bernardy, Joseph Rueter, Peter Western, Earl Margerisk, M. Delgardelle.

The Atkins Savings at Atkins has filed articles increasing its capital stock from \$15,000 to \$30,000.

A. B. Leach & Company were successful bidders for the \$149,000 schools bonds issued by the Des Moines school board. The purchasers pay a premium of \$2,650 for the bonds. The board members are disappointed that bids for the bonds were not higher.

L. W. McClennan, formerly cashier of the Afton Bank, has been made defendant in a suit for an accounting filed by the estate of Mary Shepard, insane, for whom the banker was appointed guardian. It is charged that McClennan deposited the funds of the woman amounting to \$3,360 in his bank and that he never accounted for it to the satisfaction of the American Surety Company of New York, which appears as plaintiff in the suit.

Cashier C. A. Challengren of the Gowrie Savings Bank was married recently to Miss Eliza Martindale at the home of the latter's parents, Rev. and Mrs. Thomas Martindale, at Gowrie.

The First National at Rudd has let the contract for its new building to a Charles City contractor.

Mr. and Mrs. J. D. Whisenand and Mr. and Mrs. R. T. Wellslager have gone to Little Traverse bay on Lake Michigan to spend July and August. Mr. Whisenand and Mr. Wellslager are prominent in the management of the Central State of Des Moines.

The Cherokee County State of Cherokee has reincorporated with a capital of \$50,000.

L. E. Stevens, president of the Century Savings of Des Moines, has been named a director for the National Travelers Benefit Association of Des Moines.

Bert Ellifritz has been arrested at Perry charged with forging a bunch of checks upon merchants at Perry, Bouton and Woodward. Ellifritz, it is said, has confessed.

The Citizens State at Oakland has filed articles with the county recorder. The capital stock is \$5,000. The articles have not reached the secretary of state at this writing.

F. M. Widner, president of the First National at Corning for twenty-two years, and also connected with banking interests at Prescott and Brooks, has disposed of his interests to Ralph Newcomb, his daughter-in-law, Mrs. May Newcomb, and his son Brad

The first named will be president of the Corning institution and Brad will be cashier. Ralph Newcomb becomes president of the institutions at Prescott and Brooks but the present cashiers at the latter two places will be retained.

The Montezuma Savings Bank has renewed its articles with a capital stock of \$30,000. J. W. Carr, A. C. McGill, and J. W. Vest are among the incorporators.

Sioux City

By JOHN J. BIDDISON.

The wheat, oats, rye and barley crops in South Dakota are made. Nothing but an intervention of Providence now is likely to interfere with the production of the biggest corn crop the state ever saw. The hay is excellent, alfalfa booming, business picking up steadily. This encouraging word, passed around among the financial interests of Sioux City, the alien metropolis of the Gopher state, means much, for South Dakota was hard hit by the two successive droughts that visited large parts of it, and caused an exodus of homesteaders. Much land that became a drug on the market has gone into the hands of speculators, but the crop yield will bring thousands back to the state, in the opinion of keen observers, and South Dakota will be more confident than ever before.

The uniformly promising crop prospects, not only in South Dakota but in Iowa and Nebraska, have served to counteract the customary slump of the heated term, and bankers report a substantial business, largely induced by a picking up in the wholesale and retail trade.

Among the Visiting Bankers

J. M. Newell, cashier of the First National of Mt. Vernon, S. D., was in Sioux City Monday.

Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was transacting business in Sioux City Monday.

C. B. Mills, vice-president of the Peoples Trust and Savings Bank, Clinton, Iowa, was in Sioux City Monday.

W. H. Pratt, Jr., cashier of the Brule National, Chamberlain, S. D., was in Sioux City on business Monday.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was transacting business at the First National, Monday.

WEST VIRGINIA TAKES UP THE AGRICULTURAL PROBLEM

(Continued from page 25)

enlisting the bankers of the country in agricultural campaign chiefly has been fathered by Joseph Chapman, Jr., vice-president of the Northwestern National of Minneapolis, and B. F. Harris, president of the Illinois Bankers Association. These men have spoken on this matter before state and national associations, and have aroused widespread interest among bankers throughout the country. I recently corresponded with the secretaries of all the state associations to learn what they are doing in this matter. Replies were received from thirty-three states. Sixteen have active committees at work. Eight states are discussing the subject at their annual meetings now being held, and expect to appoint committees on agriculture. Two states have had the subject presented at their annual and group meetings, while seven have given it no attention.

Last August, at the invitation of the Minnesota Bankers Association, there was held in Minneapolis the First Annual Conference of the Bankers' Committee on Agricultural De-

velopment and Education. Eighty men were present from eight states. The proceedings have been published, and form an admirable digest of the whole subject. As a result, the "banker-farmers," as President Harris calls them, from twenty-four states met at New Orleans, and secured the appointment of a permanent committee on agricultural development and education by the great American Bankers Association. A call has now been issued for a second conference to be held August 7th, at which representatives are expected from at least twenty states.

Just how this agricultural development shall be brought about is a very large subject, which demands serious consideration. Doubtless some of you are aware of the work which your state college of agriculture and agricultural experiment station are doing, and I trust you may become better acquainted with it in the future.

It is not my purpose to presume to suggest to you any program of work in the support of agriculture. With the facts before you, I am certain that you will feel the importance of associating yourselves actively with every legitimate effort for bettering West Virginia farming. I trust that you may see fit to appoint a committee on agricultural development and education, who shall be empowered to thoroughly investigate the agricultural needs of our state, to attend the national conference at Minneapolis, and to recommend to your executive committee any legislation which they feel should have the support of this association.

I cannot better close this address than by quoting the last sentence of an address of Mr. Harris, president of the Illinois association, on a similar occasion, when he said: "Effort and money spent in this cause will be the most marvelous earning asset of a magnificent future, not in dollars only, but in a contended, successful people, constituting an industrial and agricultural republic, peaceful and prosperous beyond compare and in political repose."

No state in the Union has a brighter future than West Virginia, providing that her agriculture is developed on a par with her other industries. No state or country has permanently succeeded which has not fully developed its agriculture. Prosperous farmers, well-tilled farms, good crops, reasonable prices, are necessary for industrial prosperity, and form the only adequate basis for the social well-being of all classes in both city and country.

BANK FEES INADEQUATE

Louisville, Ky.—In an address to the national and state bank examiners of this district Percy H. Johnston, examiner for Kentucky, said that the fees of examiners paid under the law of 1863 are not adequate, and force the examiners to make hurried examinations to earn a living. He urged straight salaries and expense allowances. These recommendations will be reported to President Taft by Comptroller Murray and sent to congress.

BANK MERGER IN SAVANNAH

The comptroller of the currency has announced the voluntary liquidation of the National Bank of Augusta, Ga., to be consolidated with the Citizens and Southern Bank of Savannah, Ga.

REPORTS TO COMPTROLLER

Washington.—Comptroller Murray says that a review of reports received by his office in response to circular issued June 1st show "that many essential features to a thorough understanding of the banks' affairs are not covered." He has issued a circular incorporating eleven suggestions as indicating what his office wants.

R. E. JAMES ON SEGREGATION OF DEPOSITS

(Continued from page 8)

the active side of the bank would not meet the absolute loss constantly accruing on the savings deposit side of the bank.

By reason of the liquidation of this large amount of deposits invested at home, in home business paper, as the case might be, and its reinvestment in a class of securities which probably could only be purchased abroad, the bank would promptly find itself unable to meet the home demand for loans. The bank would be compelled to deny its business depositor the accommodations he was accustomed to getting, because of the fact that they were short of funds. The customer would speedily find a new bank to deal with and the business customer and depositor would be lost to the institution. That is to say, the bank's ability to take care of its customers and the business in its locality would be re-



JOSEPH S. HILL
Charleston

Secretary-Treasurer West Virginia Bankers Association

duced probably not less than one-half by the stroke of the pen which would approve such a law.

Again, in what amount would this be likely to affect the banks? Our New England friends speak of this matter in a very light mood, as though what they call "savings deposits" were insignificant in amount, yet an examination of the statistics shows that in almost every state in the Union, the so-called savings deposits equal or exceed one-half of the total of all deposits. The monetary commission has ascertained that "savings deposits" include practically all of the classes of deposits I have mentioned above, and in classifying the different kinds of deposits I find that the total called "savings deposits" of the monetary commission is approximately the total of all these different classes of deposits which I have mentioned above.

In the state of West Virginia the monetary commission reports twenty-four millions of savings deposits, and the probabilities are that a proper examination of the state statistics would show that deposits, classified as they are by the monetary commission and the parents of segregation, would reach a total of at least thirty millions, which would be a very considerable proportion of the deposits of your state. Indeed, the comparative statistics of general deposits and savings deposits as reported by the monetary commission show that the so-called "savings deposits" which the monetary commission makes to include all de-

posits bearing interest, is in excess of one-half of the grand total of all deposits. So, for instance, in the report of the monetary commission for 1909, the grand total of individual deposits, subject to check is seven billions, and the grand total of savings deposits is about six billions and a half, but the former amount should be reduced by the amount upon which interest is paid by national banks on check accounts, and the latter should be increased by the same amount as also by amounts representing interest paid on cashiers', treasurers' or secretaries' checks, and especially on demand certificates of deposit, which may be written on demand, but upon which interest is payable. These changes would make the total of so-called savings deposits greater than the total of general deposits, and indicates that throughout the United States, even looking through the eyes of the monetary commission, "savings deposits," as they would be affected by a segregation law, would mean at least half and probably more than half of the total deposits in the United States.

Not having the exact amount of deposits of all classes I would not be able to give the percentage, but at any rate it would mean in the state of West Virginia that at least half of the general total of your deposits would have to be withdrawn from the present method of use by the banks and invested in the new method; that more than thirty millions of money now invested in large degree in business paper, discounts, loans to industrial enterprises, merchants and business operations, investments in the bonded indebtedness or other indebtedness of local enterprises not municipal or state, would have to be reduced in the amount of thirty millions of dollars, and those thirty millions of dollars would have to be sent abroad to buy the peculiar kind of securities which these wise men of the East would compel the bankers of West Virginia to invest in. The state of West Virginia and the banks of West Virginia cannot afford to deprive the state and local interests of the sum of thirty millions of dollars, and the taking out of that amount from the state through the agency of the banks would mean a scarcity of funds of such magnitude in every banking institution as to compel them to revolutionize their business.

If every banker of the state of West Virginia realized the situation in which the proposed plan of segregation would put his state, he would sit up at night to prevent it.

It is fair to say that the law committee of the A. B. A. has seen some light on this phase and say, "The investment standards of many states seem to be impracticable in operation; as, for example, those of Pennsylvania, Missouri, Indiana, Wisconsin, Minnesota and West Virginia."

Again, how would this proposed plan affect the state as a business community? The withdrawal of a great percentage of the deposits of all the banks from local investment and the sending of such funds to remote points for investment would immediately put upon merchants, industries, etc., etc., the necessity of paying in whole or in large part their loans to the banks. It would debar them in large degree from ability to discount their current paper. It would make it impossible for the general mass of merchants and business men to obtain sufficient accommodations for their business in their own state; would compel them to go abroad to endeavor to get some portion of the money back to the state, by borrowing what was sent out of the state under the process of this law; and if their credit, which, while good at home might not be established abroad, was not sufficient to enable them to obtain such loans, it would mean the closing of the doors of the industrial plants, the abandonment of business by the mer-

chants and the cessation in large degree of every useful activity which goes to build up a state. It would be a mistake to imagine these statements to be either exaggerations or not founded upon facts. Any gentleman who will take the trouble to analyze the conditions, understand the statistics and use his grey matter for a very short period will see that the effect upon the business interests of the state would necessarily be ruinous.

Take the illustration of an industrial institution. Manufacturers as a rule are dependent for a certain proportion, and usually a large proportion, of working capital upon their ability to make loans from the banks, or upon their ability to discount their business paper promptly, thereby securing from the earnings of their business sufficient funds to renew the output from time to time as required. Under this method their loans in part would have to be called and they would have to settle. Their discounts would have to be largely diminished because the banks would not have the money. Employees would be put in a seemingly hostile attitude to the conduct of the business, for this reason, that under present conditions the factory pays out large amounts for labor. The laborer monthly pays his household expenses and other current bills and prudently puts the rest into the bank for the rainy day. The bank takes the aggregate of these deposits, reloan it to the factory or discounts the factory's bills, and these moneys make an unbroken chain, benefitting the factory, benefitting the laborer and benefitting the bank and all persons allied to any one of these classes.

Under the proposed law, as soon as the laborer's money goes into the bank, notwithstanding he has earned it in the community, and notwithstanding the industries of the community depend upon it for continued assistance, and notwithstanding the laborer's interests are all with the factory which supports him, yet the bank is compelled by these wise doctors to take his money and send it to New York, Philadelphia or Chicago and buy government bonds or state bonds or other securities, the result of which is that the funds deposited by the laboring class or the artisan class, whether in small or in large amounts, is forcibly taken from the community where it belongs without benefitting the depositor and bringing distress, if not worse, upon the whole business community.

These conditions are so apparent and plain that it needs merely the mention of them to convince a reasonable mind that the plan is a plan of a theorist and can receive no encouragement from the practical mind, that depends upon its toil for its living, and that knows that in order to live it must directly or indirectly give aid to the employer who offers the opportunity for labor.

Again, this lack of funds so occasioned in any community necessarily will raise the rate of interest, and the extra moneys must come from abroad. This will not only be a hardship upon the manufacturer and the borrower, or the discounter, but will have the effect of making the large bond houses, the brokers' houses of the great metropolitan cities, a clearing house or place of exchange, upon which directly or indirectly every rural community in the United States will depend for funds in order to conduct the modest business which heretofore they have conducted with the funds of their own community in their own way. Perhaps there is method in the great interest taken by some metropolitan bankers in urging this scheme.

I think I have heard somewhere something unpleasant said about Wall Street. The present banking system, with its reserve requirements, its lack of short time domestic bills and the consequent flood of idle money to

New York, has made and maintains Wall Street, and the provisions of this bill will double its iniquities.

It is difficult to conceive of a greater condition of financial entanglement and distress than must necessarily follow the taking of large amounts from a community where it has been earned and properly belongs and sending it to some other locality for them to farm out at an advanced rate of interest, leaving the community to which it rightfully belongs destitute and prostrate.

It is apparent then that, thinking along these lines, it can be demonstrated in any case, that to the banker, to the manufacturer, to the merchant, to the professional man, to the artisan, to the laborer, to everybody in every community, this new process of business methods would be injurious, distressful and destructive.

The worst end of this bill is the matter of investment of these funds. An examination of the statistics of the different states, which can readily be arrived at, will astonish any person who has never inquired. In the state of Pennsylvania, as I have said, the enactment of this law, with our present law regulating the investment of mutual savings banks, would take from the business interests of that state approximately four hundred millions of dollars and send it abroad, for which in return we would get as many restricted investments as the principal and premium of such bonds would permit us to buy, and would realize probably an average of three to three and a quarter per cent, which it is plain would make it impossible for us to do business; and, on the other hand, the sum of four hundred millions would be taken from the body of our people, who need every dollar of it, and be sent abroad, out of its natural channel.

These features alone are of danger to the banks, and the danger to the community from the enactment of any such bill ought to be enough to make every banker give heed and not treat this matter as a mere academic discussion for the amusement of an idle hour. This scheme may go through congress without an apparent opposition. A bill for the purpose has been offered, and yet if the law is enacted, every national bank will find itself in an alarming position, and every state bank should immediately see to it that these philosophic visionaries do not succeed in forcing their plans through the state legislature.

New York, Pennsylvania, and a number of other states have already met this movement and defeated it. In some portions of the West the legislators, seeing only a pretty thing, have passed it. If, however, the law is passed either in state or nation, and is interpreted by the courts as it only can be interpreted, and under such legal interpretation is enforced by the state banking departments and the controller of the currency, the banks and communities of the country will wake up when it is too late to find themselves very, very badly hurt.

In the so-called "proposition" on page 16 it is provided that "in states in which there are already savings bank investment laws the provision should be that the loans and investments of the deposits in the savings department shall be governed by the statutes relating to the investment of deposits in savings banks." These gentlemen make no effort to harmonize the laws in the different states, nor do they make any effort to procure a uniform law throughout the state; in consequence, in each state, if this plan or anything similar is adopted, there will be two standards for investment.

First. Investments dictated by act of congress for the national banks; and,

Second. Investments dictated by the state legislature for state institutions.

It will be readily seen from this that confusing results are bound to follow.

If the act of congress is more liberal in the character of investments than the act of the state legislature, the national banks will have a manifest advantage over their state brethren. If the state legislature (which is more likely to happen) enacts a state law more liberal in its character than the act of congress prescribed them, the state institutions will have a manifest advantage over the national banks.

Under such circumstances the state institutions may be in position, without injury to themselves, to offer a higher rate of interest for deposits than the national banks would be able to do, and in consequence the national bank would lose very largely in deposits of this characted, and if the act of congress were more favorable than the state act then the state banks or trust companies would correspondingly suffer at the hands of the national banks. However slight the difference of advantage, it would be sufficient to give one

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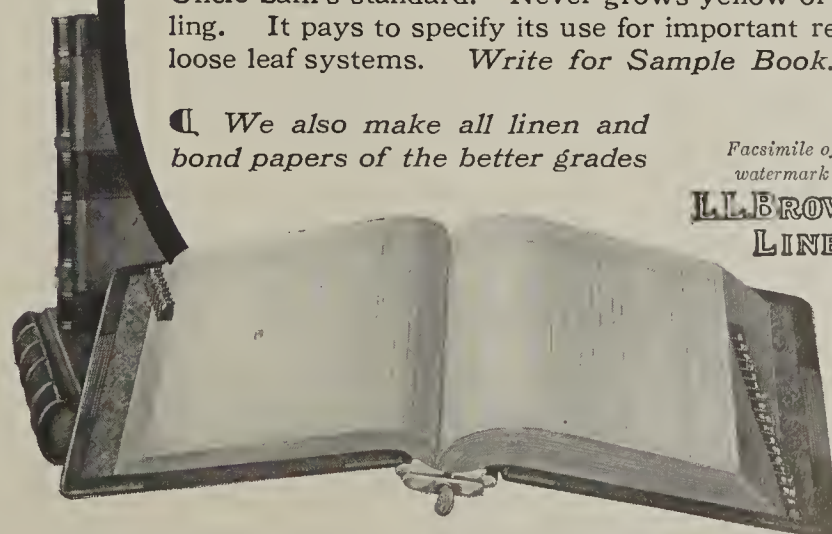
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Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, IC, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/2-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Kollos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

class or the other a serious advantage over its competitor of a different class.

Again, banks located near state borders would be seriously interfered with by the legislation in the adjoining state, which would enable their neighboring state to offer to depositors a higher rate of interest occasioned by a more liberal legislation upon the subject of investments.

That this is certain to happen is manifest by glancing over the laws as they now apply in many states to the regulation of savings institutions, with reference to their investments. If the advice of the gentlemen who present the "proposition" is followed, then some states would have a preponderant advantage over others, as it will be noticed that in some states the savings bank law puts no restrictions whatever upon investments, in other states permits them to invest in almost anything, and in some states makes the restrictions so strong that they are confined to national, state and municipal securities.

Under any circumstances, it is more than likely that in your state the state enactment will vary with the act of congress and probably, or at least possibly, will be more favorable than the act of congress, under which circumstances a state institution would have a very serious advantage over the national banks.

If segregation is necessary or advisable, it can only be accomplished successfully by such legislation as in the first place will not take the money of every locality away from that locality, but by legislation which will enable the financial institutions to invest their money in home affairs to the limit of the needs of the home territory.

Again, if legislation is enacted it ought to be identically the same, both national and state, and should be enacted at the same time so that no logical or geographic advantages could be obtained by one class of institutions over another, or by one territory or state over any of the other sister states of the Union.

Segregation in so far as it intends the separation of accounts of different classes, and even of the separation of the investments made from the moneys deposited to such accounts, is not objectionable, provided, that one class of depositors is not preferred to another, either during the period of the running of the account or in liquidation, and investments are not too greatly restricted. Thus far every-

body will probably favor segregation, but this is not what the doctors want.

What is all this for? The movement originated in the feeling among eastern mutual savings bank people that national banks, state banks and trust companies, by paying interest to depositors, were invading their territory. It was fostered and furthered by the same interests in their battle against the postal savings system. It was finally championed by theorists who to-day know that their plan is in part impracticable, and if put in country-wide operation would be disastrous. Business selfishness and ignorance of conditions are not good foundations to build on, and already a very modest investigation finds the structure crumbling before it is completed, and yet the conditions were open to sight if they had not been wilfully blind.

Segregation is one problem; investment is quite another. They couple the two and try to force results. The result must be disaster. Their minds seem bound up by the petty environments of savings bank methods. They seem incapable of a broader, better view, and can only progress in a rut worn deep by their ancestors' ancestors. A gentleman very high in their councils some time since said:

"Slight readjustment will transform our commercial banks, trust companies, etc., into savings banks." So the fox in the fable thought a slight readjustment in the matter of tails would vastly improve his neighbors. But we don't want to be transformed. We have learned the lessons of the years. Recent events have demonstrated the fallacies and weak points of statutory investments, as well as the superiority of moneyed capital to respectability as a security to depositors.

You cannot divorce the individual from the community. Mutual assistance is the only key to prosperous community life. Amputate a limb and preserve it eternally in alcohol if you will, but you have destroyed the efficiency of the body none the less. The seeing of visions and the dreaming of dreams as you tramp along on life's highway is very delightful—until the dreamer stubs his toe on some obstinate and obtruding fact. Keep to the middle of the way and wide awake. Adapt yourselves to new conditions, but don't expect the millennium to-morrow. Poetry is a pleasant diversion for the idle hour, but poor collateral to business experiments.

American banking is a natural growth from the soil of popular need. It is not an experiment or product of greed. It is ruled by experience and curbed and controlled by public demand. It is the finest exhibit of morality in business, and the most notable illustration of fidelity to trust. It is greatest in the efficiency and honesty of its agents, and weakest in the weakness of its statutory control. It has built up communities, and communities have given it faith and strength. It has built up a great nation by its integrity, its adaptability, its wisdom and its power. It will always tread where wisdom leads, but will not follow a will-o'-the-wisp. It will not tear down what it has builded at fancy's call—nor go back to the weakness of childhood, and be garbed in swaddling clothes at the beck or nod of those who do not understand or appreciate its virtues.

There is reason in the thought of separation of deposits. This we have maintained from the beginning. Two classes of depositors, one demand, and the other time, may cause fear in an emergency, and be fruitful of trouble. Experiences differ. But there is much of reason in this view. Segregation, if by that term is meant separation and classification of deposits, is not only not objectionable but laudible, but when it comes to the investment of separated funds there is no reason for novel or forced methods. The needs

of the community must first be cared for and then such investments as the wisdom of tried boards of directors shall order. The reason impelling statutory investments for savings banks has no application here. No legislative body can improve on the wisdom of experience and practice.

If separation of deposits seems desirable on this basis, every bank can enforce it by its own act without statute. If separation and investment—sometimes called segregation—is desired to be enforced by statute, the way is open and easy for its accomplishment.

A way fair to all classes of financial institutions, and just to all depositors—a way which will not disturb the finances of the country nor ruin either bank, depositor or community.

First. Establish by law the class of interest bearing deposits which shall be segregated.

Second. Establish by law a uniform and liberal class of investments for such fund, as liberal as the needs of the communities require and as business wisdom and solvency demands.

Third. Provide by law that all other assets shall in liquidation be for the benefit of other depositors, until they shall have received a percentage equal to that received by the segregated depositors—and after that all classes shall share pro rata to the limit of assets and to the limit of their claims.

These laws to be enacted simultaneously in state and nation, and covering all capitalized depository corporations, state or national.

This outlines a complete system of segregation: Easy of construction; free from legal uncertainties; preservative of all interests; just to all interests, and accomplishing the utmost desires of the idealist, while it may receive the consent of conservative thinking people.

I regret that time will not permit me to take up other features of this phase. I have already transgressed and apologize for the transgression. I also apologize to the "doctors" if I have seemed unkind. They mean well, but it is difficult to be entirely polite to one who is throwing lighted cigarettes in your gasoline tank, even if he "didn't know it was loaded."

NOW AND THEN HE'S A K. P.

William G. Edens spent Friday and Saturday of last week in Minneapolis attending the annual meeting of the finance committee of the Supreme Lodge of the Knights of Pythias, of which he is a member. An examination of the financial affairs of this big fraternal organization developed the fact that they have \$100,000 in their surplus fund, and everything is in good shape for the twenty-seventh biennial convention to be held in Denver, beginning August 6th. Mr. Edens says that Minneapolis bankers with whom he talked are well satisfied with crop prospects in Minnesota and the Dakotas, as well as in the Northwest generally, which makes them feel confident as to future business conditions.

REFERRED TO SAVINGS BANK SECTION

Pottsville, Pa., July 12.—Arrested for the nonpayment of a debt and about to be taken to prison, John Yann, of Mt. Pleasant, told the officers that he would pay the bill in full.

Yann secured a pick and led them to the mountainside in the rear of his home, where he dug up \$700 in savings in an old jar. The bill was speedily paid, and the man released.

Yann said he knew of several instances where friends who were afterward killed, had concealed money in considerable sums in the same manner, and added that this will never be found, unless by the rarest accident.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

MANY prominent western members of the council have expressed themselves as favoring an eastern man for that high station this year. At the same time they generally put in a saving clause, "and for Joe Chapman next year."

ORDINARILY this is taken to mean that the western members are for Cogswell of Albany or for Joseph Wayne, Jr., of Pennsylvania. The interests of the former have been more advanced in this section than have those of the latter.

THERE ought to be an interesting and friendly contest at Detroit if Cogswell, Wayne and Davis (and any other who may wish) all go into the race, without too much personal anxiety shown.

RECENT elections have indicated that the members will not be driven or badgered into supporting a man by personal appeals, by signed petitions or by solicited telegrams. Ability, character, experience and standing in the banking world are the principal assets of a good candidate.

NONE but the very highest type of men have succeeded to the chairmanship within recent years, and many having the best interests of the A. B. A. at heart believe that all future elections will be based upon merit. This is as it should be.

D. C. WILLS, former chapter-man and now cashier of the Diamond National, Pittsburgh, is the new Pennsylvania member of the Big Council. He will not be a strictly "silent partner," being full of initiative with a very active, follow-up mind.

WE all have lost a friend in the death of George C. Power. His loss will be felt keenly in St. Paul, for he was just as dependable and likeable as men ever get to be. His name was connected with every forward movement, both civic and moral, in the past ten years.

CHAIRMAN ARTHUR REYNOLDS passed through Chicago en route to the meeting of the committee of administration at New York. The details of the big Detroit convention will be passed upon.

COUNSELOR GREENE, of Moline, was in also. He says "all hats off to B. F. Harris. He's done more than all of us put together."

MR. GREENE is an ex-president of the Illinois Bankers Association and says it's no discredit to the other exes to say that "B. F. has them all beat in a bunch."

IT is said that all of New York's votes on the council will be cast for Cogswell for chairman, and that his general strength is growing fast.

WE know at least two men who are new members of the council who wouldn't have gone on at this time but for their desire to get in behind Farmer Joe in case there should be any difficulties.

GETTING back to Iowa! Col. Dinwiddie had enough written pledges to elect himself twice over, but failed to have any one planted to nominate him. There was a pause of half a minute and just then some foxy friend of Dave McKee saw the point and shot him over the plate and Carpenter got a pass on balls and it was all over. Funny story!

GOV. WOODROW WILSON, in addition to his more recent distinctions, belongs to the notable group of Houghton Mifflin essayists. His volume of "Mere Literature and Other Essays," and his "Congressional Gov-

ernment," a study of American politics, have had a steady sale for many years.

MEREDITH NICHOLSON is a close friend of Gov. Thomas A. Marshall, the democratic candidate for Vice-President. In dedicating one of his recent stories, "The Siege of the Seven Suits," to Gov. Marshall, Mr. Nicholson wrote: "My Dear Governor: It was ordered by the franchises of destiny that you become the chief executive of a state in which the telling of tales brightened the hunter's camp-fire and cheered the lonely pioneer's cabin before our people learned the uses of ink; and the supreme fitness of this lies in the fact that you are yourself the best of story-tellers and entitled, for your excellence in this particular, as well as for weightier reasons, to sit at the head of the table in that commonwealth to which we are both bound by many and dear ties."

SECRETARY McLANE TILTON writes in to give notice that the twenty-first annual convention of the Alabama Bankers Association will be held at Dothan, Ala., May 8th, 9th and 10th, 1913. Other association secretaries, and especially those of the southern states, "will please bear these dates in mind," and, in arranging their own conventions, endeavor to avoid conflicting dates.

CLEVELAND clearing house committee, consisting of representatives of the national banks, have elected Wm. D. Young, cashier of the National City Bank, treasurer of the Clearing House Association. Mr. Young takes the place made vacant by the death of Edwin R. Date, who also was cashier of the National City.

IF we could lose the Funk case, the Lorimer case and the pestiferous Colonel, even the hot weather couldn't jar our content.

THAT "houn' dawg" should be transferred to the republican party, since they do a large amount of "coon huntin'" at their quadriennial gatherings.

IF it's flatter than "as flat as a pancake" you can say it's as flat as a third party call. It's good form, too.

THE size of the "rumps'" convention will depend chiefly on the size of the expense account fund and the way it is used. Chicago is a fine summer resort for politicians out of a job.

BUT how could anybody expect the steel trust's business to do anything but decline

temporarily when all its managers are so busy nowadays thirdterming?

KENTUCKY will hold its twentieth annual convention at the Galt House in Louisville on Wednesday and Thursday, October 2d and 3d. A tentative program has been prepared and several speakers of national reputation have been invited to address the convention. In addition to these, several Kentucky bankers will speak.

ONLY twenty banks remain to be converted to make Secretary Arch. B. Davis eligible to a seat on the 100 per cent efficiency bench along with Secretary W. F. Keyser, its only occupant.

SECRETARY ANDREW SMITH is expected to declare the Indiana hay fever season open any day. Oh, you Petosky!

MERCHANTS NATIONAL, Indianapolis, on October 1st will occupy its fine new bank and office building, "the largest and finest in the state." Yes, the bank is growing, too.

"ROOSEVELT is going to sweep the country"—if he can raise the "dust."
CASHIER.

SPEAKS AT N. E. A. CONFERENCE

A conference of those interested in agricultural development and education was called by E. E. Balcomb, professor of agriculture, State Normal and Industrial College, Greensboro, N. C., and was held at the headquarters of the National Education Association in the parlors of the Auditorium Hotel on Wednesday, July 10th. Prof. Balcomb also is the executive secretary of the Boys and Girls League of America. This league is composed of the boys and girls constituting the various corn clubs throughout the country, and the girls who are interested in the study of domestic science. Recently Prof. Balcomb was made chairman of a newly created committee on rural and agricultural education. This conference was attended by William G. Edens, assistant secretary of the Central Trust Company of Illinois, who attended at the request of President B. F. Harris of the Illinois Bankers Association and represented their committee on agriculture and vocational education of which he is the secretary. Others who were present are Frank M. Leavitt, assistant professor of industrial education, University of Chicago, and chairman of the committee representing the Illinois Teachers Association; the Hon. Oliver Wilson of Peoria, master of the National Grange Patrons of Husbandry; Prof. E. C. Bishop, school section, extension department of the Iowa State College, Ames; Clarence P. Robinson, state normal school, Montclair, N. J.; Edward R. Wright, president of the Illinois State Federation of Labor, and organizer of the American Federation of Labor; Forest Crissey, special writer for the Saturday Evening Post. Mr. Edens told the conference of the agitation going on in Illinois looking to the betterment of farming methods, and of the bankers' ambition to assist in preparing a draft of an educational bill to be presented to the next legislature, that will embrace the subjects of agricultural education, domestic science and industrial training; also of the effort being made to secure national and state aid for field and farm demonstration work, and for the improvement of our public highways.

WHY SO SILENT, THEODORE?

La Follette's urgent inquiry concerning the Roosevelt campaign expenditures is met with the same deafness that La Follette's speeches in the senate encountered during the Roosevelt administration. Just at present Oyster Bay does not seem to know that there is such a person as Robert Marion La Follette.

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Deposits - - - 46,275,000

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A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JULY 20, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Constitutional Amendment.

The following proposed amendment to the constitution of the Illinois Bankers Association is to be formally proposed and will be voted upon at the Peoria convention in September. It comes to THE CHICAGO BANKER from one of the very leading lights of the organization, introduced by the following letter:

Editor of The Chicago Banker: Several years ago an amendment was suggested to the constitution of the Illinois Bankers Association, in which it was proposed to discontinue the practice of the ex-presidents of our state association voting in the meetings of the executive council of the organization, but for some reason or other the matter was side-tracked. I am of the positive opinion that the very best interests of our association demand that this change be brought about. I am therefore proposing the following amendment which I request you to publish in your paper that our membership may become familiar with the same, and which later on I will introduce through the secretary's office in accordance with the requirements of our constitution.

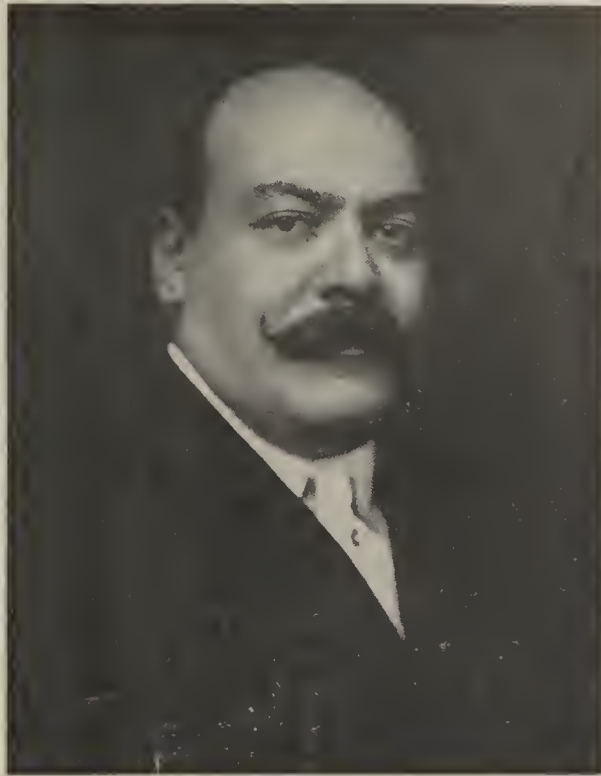
Section 2 of the Constitution of the Illinois Bankers Association to read as follows:

The administration of the affairs of the Illinois Bankers Association shall be vested in an executive council composed of thirty elected members, and the following ex officio members: The president, first vice-president, the ten group chairmen, and the ex-presidents of this association for three years after the expiration of their respective terms of office as president. The ten vice-presidents representing the groups, and the ex-presidents after the expiration of their terms as ex officio members shall be honorary members of the executive council but shall have no vote on matters of policy or business which may come before the executive council. A Member.

Chicago, July 18, 1912.

This is an Illinois perennial so far as mooted questions are concerned, and dates back to the time when the private bankers controlled the association by a constitutional provision that "never less than half of all committees shall be private bankers." Committees continued of odd number so that three out of five, two out of three, etc., were of the private bank faith. By another constitutional provision (the rank-est piece of class legislation ever devised) the presidents of the association in alternate years (when the legislature was in session) always were private bankers. Another provision of the old constitution put the ex-presidents "on the executive council for life." Result always has been that certain of the exes attended all meetings, and so built up a machine, which finally was overthrown by the adoption of the new constitution at Springfield convention last year. By an oversight the exes were overlooked and forgotten until they showed up at the Blackstone meeting of the council last winter in sufficient numbers to defeat the Harris supervision resolution, although it has been shown by poll of the membership to have almost unanimous support of the organized

Two Famous Upbuilders of American Bankers Association



SOL. WEXLER
NEW ORLEANS



E. ELMER FOYE
BOSTON

Mr. Foye is a vice-president for the Old Colony Trust at Boston and a vice-president for the A. B. A. in Massachusetts. He has just finished a term as president of the Massachusetts Bankers Association in which position he did much to build up and popularize that youthful organization. He has spread the A. B. A. gospel effectively and has brought in many new members. His state has need of just such men.

Mr. Wexler is a handsome, scrappy big fellow and a bigger banker. He can talk up to the speed limit and fears nothing that has been discovered and charted. He went through the chairs in the clearing house section with a fine record and ran for chairman of the Big Council the wrong year. He doesn't hold spite, is a good worker and a power in the association, and in things financial in the South has to be consulted.

banks and only just less than half of the privates.

Many of the ex-presidents never abused the privilege and never voted on questions of administrative policy nor at elections. Others never missed a meeting and truly "ran the association."

It was so in the American Bankers Association almost to a detail. The ex-presidents ran the machine and Col. Branch's defeat was impossible until the ex-presidents were cut down to three years on the council, "after the expiration of their terms of office." This was done at the Atlantic City convention, and resulted in Col. Farnsworth's election, and the complete reformation and upbuilding of the organization.

Members of the Illinois Bankers Association will do well to look into this matter fully so the question can be decided upon its merits. Many of the ex-presidents will support the reform, and but a very few will contest it.

Charles G. Dawes

Charles G. Dawes, president of the Central Trust Company of Illinois, has accepted an invitation to be one of the speakers at the con-

vention of the Colorado Bankers to be held in Denver August 19th and 20th. Mr. Dawes will speak on the subject of investments.

DEATH OF EMERSON DEPUY

Banking circles in Chicago were shocked on Thursday at receipt of telegrams from Secretary P. W. Hall, of the Iowa Bankers Association, announcing the sudden death of Emerson Depuy, editor and publisher of the Northwestern Banker at Des Moines. Under Mr. Depuy the paper had become a power, and invariably stood up for high standards and condemned shady methods in banking and commercial life. Every advancing effort of the big Iowa association had his warm support, and he was a welcome speaker at bankers' conventions in his own and neighboring states. He enjoyed the close personal friendship of almost every banker in Iowa and could call most of them by name. The death of Mr. Depuy will be a distinct loss to financial journalism. His paper belonged to the "strictly clean" and was quoted liberally by papers all over the country. The funeral will be held to-day (Saturday) and will be attended by nearly every banker in Des Moines.

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Surplus and Profits	-	600,000
Deposits	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
March 7, 1911	.....	21,574,956.79
June 7, 1911	.....	23,137,746.88
September 1, 1911	.....	24,500,075.82
December 5, 1911		25,445,199.89
February 20, 1912		26,207,446.32
April 18, 1912		27,237,752.30

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Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

IOWA is up and doing on the presidency of the state association. The walkover for Shade at Cedar Rapids has stirred up what looks like a four-cornered contest. The more the merrier!

CONFERENCE meet at Minneapolis and St. Paul, August 7th-8th, promises to be big this year. Twenty-one states have appointed committees on agriculture and education, and Ohio, Michigan, North Carolina and Nebraska authorized appointments.

CHAIRMAN JOSEPH CHAPMAN, JR., has made hotel reservations for the delegates at the Radisson and at the Minnesota Club, one of the best places to stop in the whole country.

FROM Chicago there will be a special car, evening of August 6th, for delegates from tributary points. Send in your name to THE CHICAGO BANKER, which will do the rest.

A MILLION dollar "farmers bank" has been incorporated in Chicago, but the real backers are not disclosed. Probably George Woodruff will have the field to himself for a time.

NOT so with the race for the chairmanship of the council. In this he has a good start, but Col. Aisthorpe is an opponent of "good steel." But then the two are good friends, and will remain so. You can bet on that.

COL. FRANK T. JOYNER and Ralph C. Wilson (not a colonel) are not "noisy" candidates for the Illinois secretaryship. Another case of good friends and each competent to acceptably fill the place.

HAVEN'T heard of any real rivals to E. E. Crabtree, and W. T. Fenton for membership on the big council. One has a holdover claim which no one can dispute, and the other an indorsement (Group 4) which is good collateral. Fortunate indeed is the state in prospect of having such high-grade representation on the council.

SECRETARY W. C. MACFADDEN of North Dakota has been asked to assist in locating the endless chain letter sent out to raise funds for the silver service committee for the battleship North Dakota. This letter evidently is pigeon-holed in some bank in the state. It has a number of drafts attached to it, and the committee would like to have the letter sent along on its journey, and kept moving. It is hoped that the remittances attached to the letter have not been "kidnaped."

MACFADDEN has a plan, too, to furnish North Dakota banks with "cashiers, bookkeepers, etc., without cost" to them. The theory is O.K., but it involves the co-operation of an employment agency in Kansas City, which, of course, charges the applicant a fee.

WE hope he will have no unpleasant experiences, and no regrets but suggest a "better plan" which is safe and in which no fee is charged, and thus no prejudice involved in the "recommendation."

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

CHAPTERS of the A. I. B. in Minneapolis Milwaukee, Chicago, and in many much smaller places are interested in finding "places" for their graduates. They furnish the best in the market, and at no cost to anyone concerned. Why couldn't Macfadden and other secretaries offer their services to member banks and to the employment committees of the various chapters and thus give loyal, earnest support to the educational feature of the A. B. A.? They then would be sure that none but safe men were recommended for bank employment. Chicago Chapter will be glad to co-operate. John W. Rubecamp, Corn Exchange National, is president.

THERE wouldn't be nearly so many "look out" notices and "lost" checks, drafts, etc., would be less frequent if none but "bank men" were put on guard.

BY the way, Director Geo. E. Allen should cut in about here and fix it up with the secretaries. He'll find them willing to co-operate in every way.

RESOURCES of Minnesota banks have increased \$14,887,712.67 from June 7th of last year to June 12th of this year. On this comparison Kelsey S. Chase, superintendent of banks, says:

"YOU will notice that there were 712 state banks one year ago, and there were on June 14, 1912, 747. Statements do not include the mutual savings banks nor trust companies in this state. Overdrafts and bills payable have been reduced. The deposits have made a substantial gain and altogether the banking situation among the state banks under my supervision is improved over what it was a year ago."

TOOTLE-LEMON NATIONAL at St. Joseph, Mo., writes that "progress has been made within the last month toward bettering the position of the crops. Heavy rainfall over a considerable portion of the Northwest has relieved the situation in a district where high temperatures had exposed the wheat to serious danger. In the corn belt also the outlook has been helped by greater moisture, and the harvesting of winter wheat has been progressing at a satisfactory rate."

"MARBLE BANK MONTHLY," issued by the Union Trust and Savings, at

Spokane is among the best of the house organs. It is a model of its kind.

GRAHAM & SONS BANK, 659-61 West Madison, Chicago, offers choice 6 per cent mortgages on improved property, notably on the West Side Hospital, a money-making institution.

MILLER WEIR, cashier of the Jacksonville (Ill.) National, justly can claim "a prosperous half year." The net was 11½ per cent of which 3 per cent went to dividends, and the balance to surplus and undivided profits. Only dangerous thing about the earnings is that it is "twenty-three" per cent a year.

FORD is going to make 250,000 automobiles in 1913. What if he only makes ten dollars per car, as his rivals allege, and a couple of fortunes per year on spare parts. Big banks can earn on small margins on their business, too. That's one of the advantages of size.

HERE is a pretty good "toot" from the literature of the old Bank of Pittsburgh: "The Bank of Pittsburgh, National Association, of Pittsburgh, Pennsylvania, is the oldest bank in the United States, west of the Allegheny Mountains. It was founded in 1810, and in the one hundred years of its existence it has never failed in the protection of its depositors. Its large resources and world-wide connections are available to all who desire a strong, capable banking connection."

MCLEAN (ILL.) STATE BANK has made a big bit advertising in the county paper the good roads and good farming literature of the Illinois Bankers Association. Try it in your county. Don't be a dead one!

AUGUST 7th-8th the conference of state association committees on agricultural development and education will be held at Minneapolis and St. Paul on consecutive dates. This is the most important banker conference of the year.

DON'T forget the Wisconsin convention at Milwaukee (July 24th-25th) next week. Bartlett has a fine program and the entertainment committee is on the job.

ILLINOIS bankers will go down to the Peoria convention in September over the Rock Island lines. So long since they've used anything but Illinois Central they will not know where to get the tickets. Carmichael was too modest to ask for it again. Besides all that, McCormick is a pretty good fellow. Now let everybody go.

THEY tell us that Teter has purchased a new stop-watch with which to time the speakers at the Council Club banquet at Detroit. Time limit is five minutes.

ARE you keeping your eye on the Second Ward Savings at Milwaukee? Deposits almost \$12,000,000.

IOWA has only thirteen more A. B. A. members to get to qualify both McKee and Carpenter. Where's that old flying wedge formation?
(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
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JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Charles H. Wacker
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Frederick W. Crosby
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
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WE ARE "MAKING GOOD"
OUR SERVICE WILL PLEASE YOU

ALL WE ASK IS A TRIAL
IF YOU UNDERSTAND OUR PRO-
POSITION—TRY IT; IF YOU DO
NOT, LET US SHOW YOU.

THE LIVE STOCK Exchange National BANK
OF CHICAGO

Something Wrong With Our Agricultural Development

Geo. P. Wiley, a banker-farmer,
at Waterville, Washington, tells
what he thinks it is and points
out a practical remedy. Able
talk by an experienced,
observing man

With all our advancement and progress we have overlooked the great fundamental. Agricultural science is not being applied.

The cities of our state have gone way beyond the rural development. This year we sent out of the state to purchase one-fifth of the ordinary farm commodities that might have been produced at home. This amounted to \$18,000,000. Our farms are languishing, and until we can improve rural conditions and establish some sort of economic balance between the producer and the consumer at home, we cannot lay claim to permanent prosperity. That other states are in the same predicament explains why twenty-three state bankers' associations have standing agricultural committees to co-operate and assist in finding the remedy, and so applying it that these conditions may be materially improved. After three years of agitation and discussion, is it not time to accept the remedies agreed upon by the best thinkers who have given the case profound consideration and get down to work and eliminate this theorizing?

All of the great meetings on the so-called "back to the farm" movement show that our educational leaders and economists are an absolute unit on one thing, and that is that the great drawback to better farm production is our failure to get the best thought and results to the man on the farm who needs them at the time he needs them. These great meetings and conventions have not achieved their purpose, because they have failed to figure out some definite plan to make this information, some of which has been obtained at great cost, more available. Farm bulletins are all right for the progressive, enthusiastic farmer, and in individual instances have revolutionized farming methods; but it has been demonstrated conclusively that the great mass of farmers will not receive definite help through the farm bulletin unless there is an inspirational man on the ground to interpret the bulletin and demonstrate the work. For fifty years the government has been collecting valuable agricultural information, which means life and opportunity for the people, and storing it up in the bulletin warehouse at Washington, but you can't interest people in goods in a warehouse.

Joseph Chapman, Jr., and other deep thinkers on the subject arrive at the same conclusion. They all suggest redirected education, commencing with the child. The Home and School Association of Everett recently entered a plea to the board of education for more liberal instruction and equipment in nature study and constructive work in the intermediate grades. Now the people of Everett evidently are wide awake, and they absolutely are right in their idea, for let me tell you that less than one-half of our children go beyond the sixth grade, only one in three completes the grammar school course, only one in five enters high school and only one in thirty graduates from high school. Our system then does not educate generally or thoroughly. One-half of all the children of the United States are abandoned by the state at the tender age of fourteen and all children are forsaken as far as trade education goes.

The acute state of our disorder is found in the country, but every man, whether he lives in the country or in the city, has the same general interest, because we all are dependent upon agriculture. The city with high property valuations and comparatively low tax levies can secure splendid teachers and up-to-date equipment, and, best of all, there are a thousand persons in the city capable of assuming leadership in school affairs where there is one leader for school work in the country, so that the child in the city and town receives from two to ten times as much educational assistance as the one on the farm. National welfare depends upon agricultural prosperity and agricultural prosperity depends upon educational reforms in the country schools. There is a lack of effective organization and inspiration in educational work in the country. The National Bureau of Education sets forth the paradox that rural teachers are a positive force in depleting the rural districts. This is the result of inadequate preparation, years of training away from the practical, fostering wrong ideals and teaching only what is in the text books. The success or failure of this agricultural movement depends upon supplying teachers who adequately can impart this new type of education which it is necessary to install. Teachers must have a better and a different training. They must have a clear conception of the object of industrial, agricultural and home economic training before they can lay a good foundation for the pupil's future work in the vocational school. Our normal schools are doing what they can, but every normal student's idea of happiness is to get a city school as soon as possible and our normal schools cannot supply one-fifth of the demand. High schools in our country towns have not the means to do efficient work and supply this new type of education, yet they furnish the most and the best of our country teachers.

The most powerful factor used in the development of high schools is state aid. Let us apply this magic power to one or more country high schools in each county, conditioned upon self help, applying the scriptural principle, "To him that hath shall be given." State aid is no hospital for incurables—it is applied only to those who will contribute at least a like amount, and who have in them the elements of success. Let the state contribute half of five thousand dollars to one or more country high schools in each county and put at the head of each school an inspirational man strong enough to break away from precedent and tradition and conduct a new school which shall meet the needs of an agricultural population—a man who has executive ability; who has the initiative and enthusiasm to draw good

instructors around him; who knows what the country needs and what the rural teacher needs; who knows what we mean by demonstration forms and who can get results. In this way we can inestimably help the country districts, leaven the rural population and enhance the value of our farms by increasing their production.

The office of county superintendent of schools, instead of being the poorest paid in the courthouse, should be the highest, in order that the best of talent could be attracted to this most important place. Eventually it should be taken out of politics, for next to the actual preparation of teachers, this office has most to do with the success of the rural school system. Agriculture, as a science, has not yet reached good pedagogical form. When properly treated and good instructors are provided, there will be as good training and mental culture in the study of farm problems as in reading Greek or Latin. The State College is overwhelmed with applications from all over the Northwest for agricultural teachers, which it utterly is unable to supply. The bankers of the state should co-operate with the State College, and I believe we can be of great assistance to it, but I think in view of the great need we should urge upon the State College the assumption of real leadership in all things rural and the abandonment of all effort to supply such leadership in respect to urban education and technical and professional courses, leaving that to the State University.

Your committee should have the means to meet together and carefully plan this work. Then we should send a representative to Minneapolis in August to confer with the national agricultural committee which is looking after federal legislation. Of the three bills now pending in congress providing for federal appropriations for agricultural extension work, the Page bill is the most comprehensive; it articulates with our whole school system; it is an admirable plan of co-operation and is meeting with great favor. This bill is likely to pass the senate at this session and we should use our influence to get it through congress next winter. We cannot get either state or federal appropriation by asking for it; we must work for it and work hard.

I am not an educational evangelist, nor yet a philanthropist. I am a plain banker-farmer and I know that we must have scientific agricultural assistance before we can diversify our farms and solve the problem of larger production and better care of land and crops. A twenty per cent shortage in farm products of ordinary consumption is only a foretaste of the problems which will confront us twenty years from now. Dr. Henry Wallace, one of the highest authorities on this subject, says: "There is no one to blame particularly for this condition of affairs. It is the working out of an economic law, and, unless it can be changed, this country will in fifty years cease to be a nation." The great question before the American people to-day is—Can these conditions be changed? When through the influence of properly trained, inspirational teachers we can inculcate in the minds of our children an appreciation of nature, a love for the country, a

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON-SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

OFFICERS
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JAS. A. GRAY
Vice-Pres.
H. F. SHAFNER
V. Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

scientific knowledge of the possibilities and opportunities which agricultural pursuits afford for independence and happiness, then will the country be an attractive place to live, and then, and not until then, will our agricultural disorder be corrected.

Let us set about this work, not from charitable considerations, not for any selfish motive, but for the same broad and patriotic reason that we support our schools: To give strength and happiness to the state and add to the commonwealth in which we all participate.

BIG HOUSTON BANK OPENS

National Bank of Commerce, Houston, Texas, capitalized at \$500,000, opened its doors for business on the morning of July 15th, in the commodious banking rooms formerly occupied by the Commercial National at the corner of Main Street and Franklin Avenue. The management announces that it is the intention to make the bank "a bank of the people." The accounts of ladies are desired, special facilities being provided for their comfort. The board of directors of the bank consists of very prominent and influential men. O. T. Holt is president; J. M. Logan is active vice-president and cashier.

PITTSBURGH CHAPTER HOLDS ELECTION

By J. HOWARD ARTHUR.

At the annual election of the officers of Pittsburgh Chapter, A. I. B., the following were elected to serve for the ensuing year. President, B. O. Hill, Second National; vice-president, J. A. Mead, Fidelity Title and Trust Company; secretary, John M. Luther, Farmers Deposit National Bank; treasurer, W. E. Scheibler, Diamond National. Directors: H. E. Hebrank (retiring president), Union National; John M. Crumrine, First National; Chas. R. Shaw, First National, McKeesport; B. S. Space, Fidelity Title and Trust Company; E. A. Owens, City Deposit Bank; Geo. B. Rankin, Central National, Wilkinsburg.

Mr. Hill, the new president, received the unanimous endorsement of the organization through his past record as a tireless worker on behalf of Pittsburgh Chapter, having filled the office of secretary for the past five years. He is one of Pittsburgh's promising young bankers, and was elected a member of the executive council of the national organization at Rochester, N. Y., last September.

The First National of Elgin is having plans prepared for remodeling its building.

MANY BANKERS AMONG PYTHIAN DELEGATES

Quite a number of the delegates to the convention of the Supreme Lodge Knights of Pythias to be held in Denver beginning August 6th, and traveling from Chicago on a special train leaving August 3d, via the Rock Island Lines, are engaged or are interested in the banking business. The banker finds the following in the convention roster of membership:

Tracy R. Banks, director Northwest Trust Company, Fargo, N. D.; William W. Blackwell, director of the Ohio Valley Banking and Trust Company, Henderson, Ky.; Henry P. Brown, director of the Traders State Bank, Cleburne, Texas; Walter B. Richie, president of the First National of Lima, Ohio; Charles E. Shiveley, director of the First National, Richmond, Ind.; John F. Cleveland, president of the Union Bank and Trust Company, Phoenix, Arizona; Walter D. Wagner, director of the Farmers Exchange National, San Bernardino, Cal.; William G. Edens, assistant secretary of the Central Trust Company of Illinois, Chicago; Albert Watson, president of the Ham National Bank, Mt. Vernon, Ill.; Jonce Monahan, president of the Citizens State Bank, Orleans, Ind.; Arthur J. Lowe, assistant cashier of the Greensburg (Ind.) National Bank; Robert A. Brown, president of the

Farmers Bank and Trust Company, Franklin, Indiana; Bernard Murphy, director of the State Bank of Vinton (Ia.); Edward C. Reynolds, director of the Union Trust and Safe Deposit Company, Portland, Me.; S. Fried, director of the Peoples Savings Bank, Starkville, Miss.; Congressman Thomas L. Rubey, State Bank of Lebanon (Mo.); Stanton Owen, director of the Laconia (N. H.) Savings Bank; John H. Conger, vice-president of the New Brunswick (N. J.) Trust Company; John L. Scott, Jr., president of the National Bank of Alamance, Graham, N. C.; Oliver M. Baker, president of the Miami Valley National, Hamilton, Ohio; David H. Lynebaugh, director, Oklahoma State Bank, Atoka, Okla.; Benjamin A. Morgan, president of the Bank of Commerce, Greenville, S. C.; William A. Owen, vice-president, Farmers Union Bank, Covington, Tenn.; John C. Twinam, director Commercial Bank and Trust Company, Chattanooga, Tenn.; Frank F. Handschy, cashier Bellingham (Wash.) National Bank; Oscar C. Wilt vice-president and cashier of the First National of Salem, West Virginia. In addition to these there are Charles S. Davis, Denver, Colo.; Oscar P. Thomas, Abilene, Texas, and Comfort L. Hoyt of Mandan, N. D., who are investment brokers.

TOPEKA STATE BANK OF KANSAS

Topeka (Kan.) State Bank, one of the newest institutions of that city, is well located in pleasant quarters at Eighth Street and Kansas Avenue. Chester W. Snyder, is the president, and his son, George W. Snyder is cashier; Harry E. Gavitt is vice-president. C. W. Snyder also is vice-president of the Manufacturers National, Leavenworth, Kan., and he and his assistants also are interested in the First National of Clifton, Exchange State Bank of Linn, Bank of Palmer, and the Carbondale State Bank, all in Kansas. The Topeka State is capitalized at \$50,000, and has deposits of \$398,243.97.

The beautiful new home of the Union National of Streator soon will be ready for occupancy.

Financed by British capitalists, headed by T. Storey of London, millionaire president of the Storey Brewing Company, the Edmonton Interurban Railway will begin construction work on its lines to the northwestern boundary of the city within thirty days. The line will be eight miles in length and is to be completed before the close of the year. It will handle passenger and freight traffic in the suburbs.

Trust Company Service in New York

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus \$23,000,000
Deposits - \$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

MISSOURI BANKER NARROWLY ESCAPES DEATH

S. W. Webb, cashier of the Rolla (Mo.) National Bank, together with his family, narrowly escaped death the other evening. The engine in a new automobile which he recently purchased, stopped when the car was in the middle of the Frisco railroad tracks. A swiftly approaching train was bearing down upon them. They barely succeeded in escaping by jumping. The automobile was demolished by the train.

FOURTH AND FIRST NATIONAL

James E. Caldwell, president of the Fourth and First National Bank, Nashville, sends out an interesting letter to depositors and customers calling attention to the importance to the financial interests of Nashville and the South of the recent consolidation of these two strong banks. While the new institution carries a shadowing preponderance of the business of influential business men, it also will pay attention to the business of the young men and smaller customers. Mr. Caldwell says that good intentions without ability in banking are very poor comfort to a customer; hence it is important for the customer to consider that ability. Mr. Caldwell has been active in business and financial matters in Nashville for a number of years, and well remembers the trying times of '73, '93 and 1907, when financial strength was the then cry of all. The Fourth and First National presents this strength.

NEW ILLINOIS BANKS

Authority has been granted by the state to Alvin Newlin, Stephen D. Newlin and Harry O. Newlin to organize the Newlin State Bank at Hudsonville, to be capitalized at \$25,000. Frank Swords, Charles Ballmer, et al., soon will organize the Peoples State Bank of Flanagan, with a capital stock of \$25,000.

PROF. COOLEY TO ADDRESS AGRICULTURAL CONFERENCE

Joseph Chapman, Jr., chairman of the Minneapolis conference of agriculturists and educators, has secured Prof. E. G. Cooley, formerly superintendent of public schools in Chicago, to address the conference on the subject of "Continuation, or Trade Schools?" Mr. Cooley has but recently returned from Europe, where he made a very careful investigation of the German and French systems, and upon his

return made a comprehensive report to the members of the Chicago Commercial Club, who had engaged his services for this important educational investigation. The Minneapolis conference is to be congratulated upon securing Mr. Cooley for its program.

ALLEGED CHICAGO DEFAULTER CAPTURED

J. W. Ellerman, formerly employed as a clerk by the old American Trust and Savings of this city, and who mysteriously disappeared about two years ago with about \$3,000 belonging to the bank, has been apprehended in Cleburne, Texas. Steps will be taken for his extradition.

NEW GET-RICH-QUICK WALLINGFORD BOOK

Now we have from the Bobbs-Merrill Company, Indianapolis, a new Get-Rich-Quick Wallingford book, by Geo. Randolph Chester, entitled "Five Thousand an Hour," a regular million dollar romance. The new Wallingford tale isn't true but it reads true, from the depth of interest which its readers acquire. Johnny Gamble, penniless, but plucky, sees his fate in charming Constance Joy, and, inspired by certain sweet, new hopes and dreams, starts out to win her and confound her tacitly accepted suitor, Paul Gresham, by "making a million" in forty days. He does it, too! Of course, Johnny is very shrewd, and he receives a lot of help from Miss Joy, Polly Parsons and

other good friends, who share his desire to down his astonished adversary, and of course the Gresham defeat and the Gamble victory are arranged in rather melodramatic manner, but then, what would you? The man who must earn \$5,000 an hour or lose the sweetest girl in the world has got to be nimble, while such fellows as Gresham really don't deserve pity. This is a corking good story for those who like breeziness, up-to-the-minute romance and the briskest, most snappy of slang.

From the Bobbs-Merrill Company also comes "Fran," by John Breckenridge Ellis. At the outset the novelist, with deft descriptive touches, presents Fran as a girl still in short dresses, arriving at night at the home of the man who is really her father, but who does not know of her existence, and compelling him to take her into his household as the daughter of an old friend, not because she needs shelter from poverty, but because she, as she expresses it, "wants to belong to somebody."

The father, a leader in all church affairs, director of the choir and famous all over the country for his enormous charities, had deserted Fran's mother shortly after his secret marriage to her while in college, so that the woman who now is known to the town of Littleburg as Mrs. Gregory is not, of course, legally entitled to that name.

Fran enters abruptly into this household, where other complications are at work because of the unavowed passion of Gregory for his beautiful, insistently religious secretary. This is the enemy whom the heroine is compelled to vanquish in order to come into her own—and right courageously is the conflict waged.

The direct, quasi-confidential style of the author fairly matches the bold spirit of Fran, and lends added interest to her shrewd divinations of human nature.

The De Smet National Bank, of De Smet, S. D., has purchased the Bank of De Smet and the two will be consolidated under the management of F. M. Andrew, who will become vice-president, and O. P. Williams, who will be cashier.

Kewanee, Ill.—Organization of the new Union State Savings Bank and Trust Company, as successor to the Union National Bank, was effected, with J. H. Bennison president, W. H. Lyman and W. W. Calhoun vice-presidents and Harold Flint cashier.

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Dividends Paid - \$13,267,000.00

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ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

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Surplus and Profits (earned) 2,270,000
Deposits, over - - - 25,500,000

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Some of the Newer Court Decisions Affecting Banks

The decisions of the courts relating to banks and banking are numerous, and attest the great importance of the banking business, which really is the point of contact of all business amounting to anything. They likewise indicate the complex nature of the business, inasmuch as new and difficult questions constantly are arising which can be settled only in litigation.

It is safe to state, however, that a bank will not resort to litigation if it can effect a compromise whereby it can secure the full amount of principal due, together with interest to date of payment. When it does take such a step as a final measure, it is characteristically prompt with payment of the costs of the same as well as the payment of the final judgment should it be adverse. There never are any complaints against a plaintiff or a defendant bank on the part of court officials, who frequently long that other litigants possessed the same business like promptness.

Court decisions relating to the banking business may be of questionable interest to members of this association, since you must provide an annual legal retainer anyhow, and it is alike safer and easier to ask your attorney the perplexing legal questions as they arise from time to time in your business.

My official observation, however, tends to the conclusion that about half of the advice of lawyers in all litigation proves to be erroneous, and after the final order is entered there is no other redress than the futile indignation meeting held by the vanquished lawyer and his client, therefore it might be well to consider for yourselves some of the concrete cases which legally have been determined.

The penal statute passed at the last regular session of our legislature, relating to the unlawful giving of checks and drafts for value,

Show that advising attorneys are wrong half the time. West Virginia bankers greatly interested in fine paper by Wm. B. Mathews. Many of the cases cited settle every day questions in active banking

is having the desired effect. The first conviction of felony thereunder for uttering a worthless check for more than twenty dollars has been duly entered, and the guilty party now is doing time in the state penitentiary. If you can obtain checks for some of your worthless overdue notes, there is a great incentive to make all such checks good that does not attach to the original notes.

Many important decisions are handed down by our circuit courts which are not appealed on account of the amount involved or for other reasons, and thus do not find their way into the published reports. I shall not attempt to refer to any considerable number of these cases.

Judge Kittle of the nineteenth circuit, in Crittendon, special receiver of the Bank of Horton vs. Wilt and others, held that the receiver could not enforce the constitutional and statutory liability against the stockholders of a bank, equal to the amount of their stock,

except for the benefit of the creditors of the bank. It was not shown in this case that the statutory liability of the stock was needed to meet the claims of creditors, but that the receiver was trying to collect it upon the theory that it was an asset of the bank.

In Smith vs. Miller, recently decided by Judge Moss of the fourth circuit, involving a note in which the maker on its face waived all homestead and exemption laws, authorized judgment against himself without service of process in any action, authorized the holder of the note to confess judgment for him, and provided for the payment of all costs of collection and attorneys' fees, these provisions were held illegal and void, and judgment was given only for the face of the note with legal interest to date of judgment.

The case of Benedum vs. Citizens Bank of Cameron from the circuit court of Marshall county, in which Benedum sued for an accounting of the affairs of the bank, is a very voluminous and important one. Decrees were pronounced against Mr. Benedum on the cross-bill of creditors of the bank for about one hundred fifty-six thousand dollars and his recovery of a hundred thousand dollar deposit was postponed until certain other creditors were paid in full, so that the case involves something like a quarter of a million dollars. Mr. Benedum was president of the bank, and while acting as such, assisted in the promotion of a string of glass companies. These glass companies were permitted to overdraw, and to have a large line of credit, so that when the bank failed, these companies owed the bank on inadequately secured paper between seventy-five and a hundred thousand dollars. Defendants alleged that the insolvency of the bank was caused by the plaintiff's mis-

(Continued on page 24)

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

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CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
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How Bank Directors May Make Effective Examinations

Washington, July 15.—Comptroller of the Currency Murray has prepared for transmission to directors of national banks a set of instructions with reference to methods of examination by directors. About the first of June he requested the board of directors of the banks to send in a copy of the reports of the annual or semi-annual examinations made by the examining committees or by other parties at the instance of the directors, and all but one complied.

A review of the reports that have been received shows that many of these examinations are deficient in their scope, and that many features essential to a thorough understanding of the bank's affairs are not covered. A number of the states have provided by law for reports by the examining committees of state banks to the state banking department. They require in general an examination into the books, papers and affairs of the bank and particularly into the loans and discounts, with detailed statements of all losses estimated and any irregularities discovered, and in these states a form of report has been prepared for that purpose.

The comptroller's suggestions to directors are as follows:

1. The cash should be counted and the total compared with the books of the bank. Cash items should be carefully scrutinized, and any improper items, such as unposted checks held for the purpose of not showing overdrafts, and other items that cannot be readily converted into cash should be reported.

2. The bonds and other securities of the banks should be examined, and those not on hand should be verified by reference to the receipts of the parties with whom they are deposited. The market value and the amount at which such securities are carried on the books in the aggregate should be shown, and any stocks held by the bank should be listed with a statement showing the reasons the securities were taken by the bank.

3. The notes should be carefully checked and their total compared with the general ledger. The genuineness, value and security of each note and of any collateral thereto should be carefully determined and any losses ascertained, or probable, in the judgment of the committee, should be noted. The liabilities of each of the larger borrowers and loans to affiliated interests should be aggregated and care-

New set of instructions issued by Comptroller Murray who believes the present annual or semi-annual examinations defective. Committee should certify to the bank's solvency

fully considered. The report should also show the general character of the loans; whether well distributed; the general character of the collaterals; whether corporations in which officers or directors are interested borrow to an undue extent; also any large liabilities of the officers or directors. It should also be shown whether all paper claimed by the bank as its own property, including collaterals, is properly endorsed or assigned to it, and all mortgages recorded. Any loans exceeding 10 per cent of the capital and surplus of the bank should be reported. The signatures of all note-makers and endorsers should be carefully scrutinized, and any erasures and alterations or any indications of manipulation should be carefully investigated and reported to the full board. All overdue paper should be listed and comment made as to its collectibility.

4. The certificate of deposit and the cashier's checks should be verified by totaling those outstanding and as shown by the register and comparing with the general ledger, and also by comparing the cancelled certificates and checks with the register and checking them against the stubs.

5. The copy retained by the bank of the report of condition made to the comptroller at the last call should be compared with the bank's books at that date, particularly with reference to the excessive loans and directors' and officers' liabilities reported to the board of directors.

6. The bank's last reconcilements of accounts with correspondent banks should be compared with the bank's books and a transcript of the bank's account from the date of the last reconciliation to the date of the examination sent to the correspondent bank with a request for verification.

7. Individual ledger balances should be verified in such manner as the directors may deem advisable, by calling in pass books, by sending out reconcilements of certain accounts selected by the directors, or in some other

suitable way. A trial balance of the ledger should be taken by some member of the committee or at least by some person other than the clerk engaged on the ledger.

8. Overdrafts should be totaled and carefully considered and the report should show any estimated losses.

9. The committee should consider carefully the profit and loss and the expense account, with a view of determining whether the charges against those accounts are proper and whether the earnings of the bank warrant the expense charges, and the bank is making a legitimate profit.

10. The examining committee should inquire carefully into the arrangement of the working affairs of the bank and ascertain whether any employe who keeps the individual ledger receives deposits or balances pass books; and whether the employes are properly bonded and in whose custody the bonds are lodged.

11. Any liability of the bank for borrowed money should be listed, and the proper authority and the necessity for such borrowing ascertained. The total amount of the present liabilities of that nature should be reported to the board, including money borrowed from other banks on certificates of deposit.

It is noted that the report of the directors or the examining committee should show that these points have been covered, and should recite any deficiencies discovered, while the report also should contain a complete statement of the total assets and liabilities of the bank, with any additions or deductions that in the judgment of the directors should be made as a result of their investigation. There also should be included a detailed statement of the loans which the directors estimate as worthless, doubtful or insufficiently secured, giving reasons therefor and as nearly as possible the real value.

The comptroller says on this subject:

"A statement also should be made of any matters which, in the opinion of the committee, affect in any way the bank's solvency, stability or prosperity.

"It is believed that there are few instances where the examining committee cannot, if they will take the necessary time, cover these points fully and satisfactorily.

"An examination twice a year, along the
(Continued on page 17)



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.



The service which this institution renders to banks and bankers includes the handling of both active and inactive accounts, furnishing Railroad, Municipal and Public Service Corporation Bonds, in fact placing its entire equipment at their disposal for the transaction of any financial affairs.

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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

Crop conditions in Illinois remain about the same as at the time of our last report a week ago. There is a feeling of optimism prevailing among the farmers and this will be reflected in larger buying this fall. Weather conditions for the ripening of the tremendous oats crop have been almost ideal and the crop, though late, now is beginning to color. Corn also is making rapid and telling progress. It has that deep, rich color which comes from an abundance of moisture and with a late fall and delayed frosts will make a large yield. Oats are "off" in price, grain elevators now paying but twenty-nine cents for them (Wednesday, July 17th) and there is a feeling among accurate observers that this price will be lowered. The natural following of a large crop—lower prices—seems to work out this year. The question of the high cost of living might be partially solved if our country could continue to raise a few more crops like the one in 1912 for several years.

Northwestern May Enter St. Louis

It is believed that the Northwestern Lines are planning a St. Louis entrance, as there are rumors of negotiations for the purchase of the old Big Four lines from Gillespie into East St. Louis, together with terminal privileges in the city. The Big Four has built an air-line from Hillsboro into St. Louis during the past few years with the result that the old line from Hillsboro to St. Louis is used only for local purposes, and it is believed that the Big Four will be willing to sell this old line. As the Northwestern already is building a line from Peoria down into Macoupin county near Gillespie there is some foundation for the rumor. The Northwestern runs into Peoria from the north, having a road from near Sterling, on their Chicago-Omaha line, south into Peoria.

There is wide-spread interest in an interurban line from Peoria to Keokuk, Iowa. Many more interurban lines are being planned and it is believed that next year will see many of these electric roads built. This year has been one of more or less waiting among railroad men, and there has been comparatively little interurban construction in Illinois. However, the field is rich and the interurban possibilities are great so that construction naturally will follow.

The Waubonsie Trail

Wide-spread interest in the Waubonsie Trail from Denver to Indianapolis is being taken by bankers who are automobile lovers. The new trail will pass through central Illinois, touching, among other points, Springfield, Decatur, Monticello, Champaign, Urbana and Danville. The Decatur Auto Club is busy marking the trail in the vicinity of that city, and there is great interest in the project all along the line.

The name of the trail calls to the attention of history students good old Indian legends, and there could be no more appropriate name for an automobile trail than the name of some old Indian of long ago. With routes of this kind established across the state there will be more likelihood of more cars engaged in long tours crossing the state than heretofore. Illinois roads have been so bad that autoists in Eastern states, in many cases, have avoided the state. Many Indiana and Ohio people dislike to tour in Illinois, for if a week's rain sets in the car will have to be run into a garage, and the party return home on the train. The good roads agitation in Illinois is an interesting question, for where five years ago farmers and villagers opposed such ideas with all the power possible many of them now are enthusiastic over such projects, for in many cases they own and drive cars themselves. With the continued rapid sale of motor cars in Illinois most of the good road opposition will be forever silenced. The road-maker can then turn to his truly tremendous task with energy for the roads of the state have been neglected

so long that the project will have to be commenced almost at the very beginning.

Illinois Notes

J. W. Crabb, president of the Tazewell County National of Delevan, has sold two car loads of two-year-old Shorthorn cattle for \$9.75 per hundred pounds, the highest price paid on the Chicago market for forty-four years.

Cass Clifford, paying teller in the First National of Champaign, is spending his vacation as a delegate to the convention of the Benevolent and Protective Order of Elks, which was held recently in Portland, and in visiting other points of interest in the West.

Jacob Funk, president of the State National of Bloomington, is mourning the death of his wife which occurred Sunday evening, July 14th. Mrs. Funk was seventy-four years of age, and is lamented by her husband and three grown children. Her husband was one of the wealthiest members of the well-known Funk family of Bloomington.

A run which had been carried on in an exciting way on the Granville Bank was stopped by the arrival of ample funds from Chicago. The run was started by false reports. \$50,000 were withdrawn from the institution principally by miners and for a few days the excitement was intense. The cashier made a quick trip to La Salle in an automobile, covering fifty miles in seventy minutes and returned

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MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.



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with \$25,000 in cash. The Continental and Commercial National of Chicago later sent \$150,000 to the suffering bank. This is one of the few bank runs which has taken place in Illinois for a number of years.

John W. Ranstead, president of the Home National of Elgin for many years, and county judge of Kane county for two terms, recently was married to Miss Julia Merrill, the latter for years a member of the teaching staff of the Lewis Institute in Chicago.

G. R. Trenchard, president of the First National of DeLand, Piatt county, recently has purchased 160 acres of land in his county for \$240 an acre, a total of \$38,400 for one farm. This price is the largest paid in that vicinity, and the land is near no towns of any size. Simply the land itself was purchased. With farming land selling for \$240 an acre, we would like to see the man who predicted that Illinois land could not possibly sell for more than \$200 an acre.

The state auditor has issued a permit to Jason L. Wilson, Jesse Ora Hunt, George L. Wilson, Gerard M. J. Badow and Edward S. Stickney to organize the Central Farm Land Mortgage, Bond and Trust Company, the enterprise to be located in Chicago. The principal work of the company will be to lend money on farm lands as the name indicates. No deposits or other demand liabilities will be accepted. The capital will be \$1,000,000.

The Farmers State Bank, of Divernon has been opened for business by President D. L. Haire, Vice-President E. Herlan and Cashier Frank Lowe. The new institution starts out with every prospect of success. Mr. Lowe, the cashier, is well versed in banking affairs, and as one of the confidential men of the Farmers National, at Springfield, is recognized as one of the leading men in the banking interests in the county.

The doors of the new Palmer State Bank have been thrown open, the charter having been received from the secretary of state. The

new financial institution starts under most favorable conditions, and no doubt will be a financial success. There are over forty stockholders, and the bank is capitalized at \$25,000. Dr. J. F. Miller is president and R. E. Best is cashier.

The directors of the State Bank of Cuba met recently and declared an 8 per cent semi-annual dividend.

Harvey G. Riggs, president of the Chamber of Commerce Bank, and vice-president and cashier of the Mercantile Bank of Quincy, who has been ill at his home, is reported as improving steadily.

The forty-four banks in Champaign county had \$6,500,000 in deposits on April 1st. These figures are taken from bank statements and from returns by assessors.

Simon Tollmeier, president of the Pearl City Bank, began his business career by doing chores for Col. James Mitchell, at that time head of the old Stephenson County Bank. At

that time he made up his mind to be at the head of a bank himself some day, and by persistent endeavor in that behalf has attained that end.

Stockholders of the Rock Island Savings Bank met this week for the purpose of considering an increase of the capital stock of the bank.

The will of the late J. O. Mason, vice-president of the German-American National of Aurora, left large sums of money to various institutions of that town. The Y. M. C. A. gets about \$20,000; the Y. W. C. A. \$10,000 and \$500 a year for five years. The total estate is estimated at \$450,000.

The Bank of Keyesport has been sold to the Merchants State Bank of Centralia. Edward F. Ackerman, cashier, will continue in that capacity, but later will go to the Centralia institution.

Frank E. Long, manager of the savings department of the Manufacturers Bank of Rockford, died suddenly this week.

Leslie F. Anderson, cashier of the First National of Galesburg, recently was married to Ruth Marie Eaves of Davenport.

Everett Hamman, assistant cashier of the First National of Ivesdale, has resigned his position with the bank, and moved his household goods to Cerro Gordo.

MONEY SITUATION

There has been a good demand for money during the past week. The minimum rate for commercial paper is 4½ per cent. One prominent banker has predicted 5 per cent time money here within thirty days. As a result of the stiffer rates note brokers are doing a good business with interior banks. Chicago bank deposits are holding up well. Anticipating an unusual demand from agricultural patrons, country banks have begun to draw on their reserves.

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SURPLUS - - - 1,000,000

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Gustave Pabst
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Clement C. Smith
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Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
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DIRECTORS

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Charles Schriber
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Patrick Cudahy
Oliver C. Fuller
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Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

All arrangements for the entertainment of the delegates to the annual convention of the Wisconsin Bankers Association in Milwaukee, July 24th-25th, have been completed by the Milwaukee bankers in charge of the program. This year's program holds many special inducements for the wives and daughters of the state bankers to attend the convention. A concert and supper at the Deutscher Club have been substituted for the trip on Lake Michigan held last year, out of deference to many of the feminine constituency to whom the thought of a lake trip even under favorable weather conditions was repugnant. A theatre party for all guests and delegates and a tally-ho ride for the women are also features of the program. The committee of the Milwaukee Bankers Club in charge of the entertainment consists of E. J. Hughes, First National, W. M. Post, National Exchange, Walter Kasten, Wisconsin National, and E. A. Reddeman, Germania National. Secretary George D. Bartlett of the state association expects that fully 500 of the 735 members will attend the convention, and has ordered badges and programs and made reservations accordingly.

Cornerstone Laid

The laying of the cornerstone for the new \$2,000,000 home of the Northwestern Mutual Life Insurance Company, by President George C. Markham of the company was the closing feature of the convention of the national asso-

ciation of the company's agents in Milwaukee this week. The following trustees of the company were elected to fill the nine vacancies on the board at the annual meeting Wednesday: General Fred C. Winkler, Charles Allis, C. A. Loveland, E. J. Lindsay, Stuart H. Markham, Milwaukee; John H. Gibbs, Boston; Andrew J. Frame, Waukesha; John E. Wilder, Chicago; and Henry D. Harlan, Baltimore. The assets of the company now have passed the \$291,000,000 mark, an increase for the year of more than \$12,000,000. In his address to the agents President Markham stated that every phase of the company's activity is in a most healthy and prosperous condition and that it was never so well equipped to serve its members as now.

Writes Large Amount of Insurance

Dr. C. E. Albright, director in the Wisconsin National Bank, Wisconsin Securities Company, and other Milwaukee financial institutions, set a world record this year in writing \$1,817,000 insurance for the Northwestern Mutual Company in his capacity as special agent of the institution. This sum is the largest ever written by any one agent of any insurance company during twelve months. Dr. Albright has held the record for writing the largest amount of business of any of the company's agents for six consecutive years. The announcement of his latest triumph was made this week at the agents' convention, when the

standing of the various agents was read, and the prizes for the year's work were awarded.

Crop Outlook Bright

At the conclusion of a trip through the central portion of the state last week, Walter Kasten, assistant cashier of the Wisconsin National, states that with the exception of the corn, the crop outlook for the present year sets a new mark in the agricultural history of Wisconsin.

"The state bankers are most sanguine over the prospects of a record crop, and there is a marked atmosphere of prosperity in all the farming communities through which I passed," said Mr. Kasten.

Tobacco Affected

"Weather conditions have not been favorable for corn, the counties showing the largest acreage reporting an average of 77 per cent of normal," reads the report of Secretary J. C. McKenzie of the state board of agriculture issued this week. "The drought during the month of June has affected the condition of tobacco perhaps more than any other crop, the average, as reported from the principal tobacco centers, being 80 per cent. A heavy increase in the acreage of cabbage is noticeable, and the reports of the sugar beet, potato, and apple crops are favorable."

To Try Alleged Forgers

The trials of three suspected forgers, one of them a woman, now are pending in Milwau-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS
J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

kee. Elizabeth Buche, aged 23, a resident of the city, is charged with passing three checks, aggregating \$74 at downtown department stores. Ernst Hagen and Robert McLean secured continuances at their preliminary hearings on charge of defrauding Milwaukee saloon keepers through the medium of forged checks.

Wisconsin State Banking Notes

The incorporation of the Farmers and Merchants Bank of East Troy was authorized by Banking Commissioner A. E. Kuolt this week. James F. Jude is president, and Matthew J. Powers, cashier. Capital is \$20,000.

The Neillsville State Bank this week increased its capital from \$25,000 to \$50,000, the amendment to its articles securing the authorization of the state bank commissioner.

HARRIS NOT TO BE A CANDIDATE

B. F. Harris of Champaign, whose name has been mentioned in connection with the nomination for governor on the third party ticket, has stated that he has no political aspirations and will not be a candidate. He said: "I have had letters from a number of men urging me to come out for candidate for congress, for governor and other offices, and while this is complimentary, I have no political aspirations and would not be a candidate. As president of the Illinois Bankers Association I have about all the business I care to handle outside of the many other lines in which I am interested. The subject of agriculture takes a good deal of my time and the use of my name is made without my knowledge. I suspect that Chicago friends simply used it, but I have repeatedly told them that I am not in the race at all."

OUT-OF-TOWN VISITORS

Among the out-of-town bankers who visited the financial district during the past week are the following: G. N. Henson, president of the Citizens National, Chattanooga, Tenn.; Robert Hunt, Jr., president of the Peoples State Bank of Ramsey, Ill.; Charles E. Carpenter, cashier of the Farmers National of Oklahoma City; and B. F. Harris of Champaign, Ill., vice-president of the First National of that city and president of the Illinois Bankers Association.

J. P. Hackett, cashier of the McClean County Bank, Bloomington; W. L. Duckles of the Citizens State and Trust Bank, Ed-

wardsville, and Charles Bradshaw of the First National at Compton, are three Illinois bankers who called upon Chicago bankers this week.

Orson Smith

Orson Smith, president of the Merchants Loan and Trust Company of Chicago, is expected back from Europe on Monday. E. D. Hulbert, who is vice-president of the bank, will leave for Europe the next day.

NEW WEST SIDE BANK

Chicago is to have a new bank to be known as the Garfield Park Trust and Savings Bank, and to be located at West Madison Street and 40th Avenue. It will be capitalized at \$200,000 and will have a surplus of \$20,000. A new building, which will be modern in every respect, will be erected to house the new institution. The capital stock has been subscribed at \$110 per share, thereby creating the surplus named. Ralph Van Vechten, vice-president of the Continental and Commercial National, will be chairman of the board. John E. Decker will be the president.

WILLIAM T. BRUCKNER INTERESTED IN NEW BANK

William T. Bruckner, vice-president of the Continental and Commercial National, is interested in the new Market Trust and Savings Bank which will open about September 1st on Halsted Street near the corner of Randolph. The capital stock of the new institution, all of which has been spoken for, will be \$200,000. Mr. Bruckner also is interested in the Lake View Trust, Northwestern State and Cicero State banks.

Edward P. Bailey

Edward P. Bailey now is a vice-president of the Chicago Savings Bank and Trust Company. Mr. Bailey formerly was with the National Malleable Casting Company, from which position he has retired.

NORTH DAKOTA BANKER KILLED

J. J. Gruya, vice-president of the Citizens State Bank of Enderlin, N. D., and president of the First State Bank of Halstad, Minn., was killed instantly and Conductor Leonard of the "Soo" line, who resides in Minneapolis, was seriously injured, when an automobile driven by Gruya went over an embankment west of Fergus Falls, Minn. Leonard's son, ten years old, was uninjured.

Gruya recently sold his automobile to Leonard, and was driving it to Minneapolis for him.

AGRICULTURAL COMMITTEE APPOINTED

At the recent convention of the South Dakota Bankers Association a committee on agriculture was appointed. W. S. Hill of Mitchell, S. D., president of the state board of agriculture, was placed at the head of the committee. The purpose of the committee is to advocate and to assist in bringing about better methods of farming, and to encourage the teaching in public schools of agricultural and vocational subjects. South Dakota, by the appointment of this committee, has placed herself in the ranks of the progressive states. The subjects of agriculture and vocational training are attracting the attention of bankers everywhere.

CRESWELL BANK INCORPORATED

Salem, Ore.—Articles of incorporation for the Creswell Fruitgrowers Bank were received at the office of the secretary of state, July 6th. This bank organized some time ago, but failed to forward articles of incorporation. It is capitalized for \$10,000.

NEW OFFICERS FOR OLD BANK

Hanford, Cal.—F. R. Hight, cashier and manager of the Old Bank, has been elected president of the bank, filling the vacancy made by the decease recently of Daniel Flinn. James Hight, assistant cashier, was made cashier, and Mrs. A. A. Biddle elected a member of the board of directors.

EXTENDED TOUR TO YELLOWSTONE PARK

Twice as long in park as the regulation tours

Leave Chicago
August 10th.

All Expenses,
including Standard
Pullman Sleeping
and Dining Cars.



Entire Coaching
Tours in Special
Chartered Stages,
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Select Clientele,
Private, Exclusive.

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SURPLUS \$2,500,000

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FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, July 16.—A canvass of leading St. Louis banks elicited the comforting information that the demand for credits during the past week or ten days has undergone marked improvement. Several of the leading institutions are loaned right up to the handle, and still have applications from good borrowers. Reserves are universally strong, however, and the position here is extremely strong. Banks, especially those doing a heavy business in the line of crop financing, already have commenced extensive preparations for the movement. While there are some seductive opportunities to secure good rates just now, conservatism is being practiced. And it must be noted that after the long months of 4 to 4½ per cent discounts, the temptation to put out funds at present offers is very strong. The inquiry from the country is strong, but the best improvement is from city borrowers, and concerns in other big centers. Numerous firms here, which have not been borrowers to any extent for a year or more, are coming into the market for goodly sums. General business shows signs of picking up, and this fact is emphasized by the continued heavy daily bank clearings. The totals are running well over the corresponding period a year ago. The local banks have not yet begun to suffer losses to any extent on account of shipments to the adjacent territory, but this is a contingency which it is believed should not be overlooked. There will be some massive maturities between this and September 1st, which further will strengthen the monetary position. Call money continues fairly plentiful, and at reasonable rates, but the demand for that class of funds is not pressing for the moment. In the big wholesale district better crop prospects are being reflected in more satisfying sales. While fall buying has advanced well, there are still goodly orders for that season coming in, and numerous enlargements on orders earlier placed. Despite the lateness of the season for many crops, it is believed the agricultural needs this fall will be early, at least this is the opinion of several leading bankers in close touch with the situation. During the past ten days rates have advanced fully one-half per cent, and more money is lending at the major end of the prevailing range than has been the case for months.

Agricultural Committee Meets

The committee of the Missouri Bankers Association having in charge the campaign to induce farmers to increase the efficiency of the soil and the size of crops, met at Sedalia on Tuesday to arrange a program for the year's work. W. C. Gordon, cashier of the Farmers

Savings Bank of Marshall, Mo., is chairman of the committee. The state board of agriculture met the same day at Sedalia, and there was a conference between the two bodies. Excellent progress was reported, though details of the plan outlined have not been made public as yet. It is understood that the movement will result in a working agreement among bankers, farmers and the railroads on the questions of crop production and movement.

Low Rate Bonds Not Wanted

The experience Missouri is having in trying to dispose of state bonds bearing 3½ per cent interest is taken as evidence by local financiers that there is little market for short term, low interest bonds. At best these bonds must be taken up within thirteen years from January 1, 1912. Although they were placed on the market last December, only \$280,000 of the \$3,000,000 issue has been disposed of. Fortunately public interests are not suffering in the least because the bulk of these bonds has not been disposed of. The plans for the new capital building, for which the proceeds are to be used will not be approved prior to September 16th, if an agreement is reached then. The bonds are taxable, and this has been pointed out as a defect, but it is one the legislature could not obviate, in view of the provisions of the constitution. This, however, is not deemed such a fault as the low interest. There are a number of much better securities to be had in this state than the Missouri Capitol bonds. There are public building, school, drainage, district, municipal, road improvement and a various assortment of reliable securities to be had at from 4 to 5 per cent, with twenty years to run.

Independent Brewery Bonds

The Independent Breweries Company, controlling eight breweries in and around St. Louis, is arranging a refinancing of its properties, involving a new general mortgage bond

issue aggregating about \$5,000,000. The plan soon will be submitted to the stockholders. It has been found necessary to readjust the financial status of the corporation, owing, it is said, to the increased cost of production during the last two years and the desire for future extensions. The company has an authorized capital of \$8,000,000, all of which has been issued.

Bankers Assurance Affairs

Advices from Wilmington, Del., are to the effect that a decree has been entered in the Court of Chancery there in the case of the American Bankers Assurance Company of St. Louis, by which Chancellor Curtis perpetually enjoins the company from engaging in the insurance business. The court has directed that the assets of the company in the keeping of the insurance commissioner of Delaware are to be retained by the commissioner until a further order is made. This company has been the center of litigation in the Delaware and Missouri courts for more than a year. The trouble arose from a fight for control between a faction headed by A. C. Landon, the president, and John B. Christensen, a former St. Louisan, who helped Landon and his associates organize the company. Landon and Christensen fell out and the former set up a board of directors in Dover, Del., as a rival to the Missouri directorate. This dispute culminated last August in a new board of directors being elected, which continues Landon as president. The company now has under consideration several plans for merging with other companies, which, it is believed, this latest ruling makes possible.

Cape Girardeau Bankers Die

Advices from Cape Girardeau, Mo., state that the death of Major W. W. Ward on July 11th, the death of H. P. Pierronet on July 14th, and the death of Leon J. Albert on July 13th deprive southeast Missouri of three of its oldest and best-known financiers, and incidentally leave three vacancies in the board of directors of the Southeast Trust Company of Cape Girardeau. Major Ward had been an agriculturist and financier of Cape and Scott counties for forty years; Mr. Pierronet, a merchant and banker of Cape for thirty years, and Mr. Albert had been either cashier or president of the Sturdevant Bank for about forty years. These three old gentlemen had been life-long friends, and their deaths within four days of each other is an extremely sad coincidence.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

A. C. Bielenberg of Davenport, Iowa, has been elected cashier of the new bank at Tonto, same state.

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AUGUST BELMONT
August Belmont & Co.

AUGUST BELMONT, Jr.
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LOUIS G. KAUFMAN, President

FRANK J. HEANEY, Vice-President

WILLIAM H. STRAWN, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Assistant Cashier

WALTER B. BOICE, Assistant Cashier

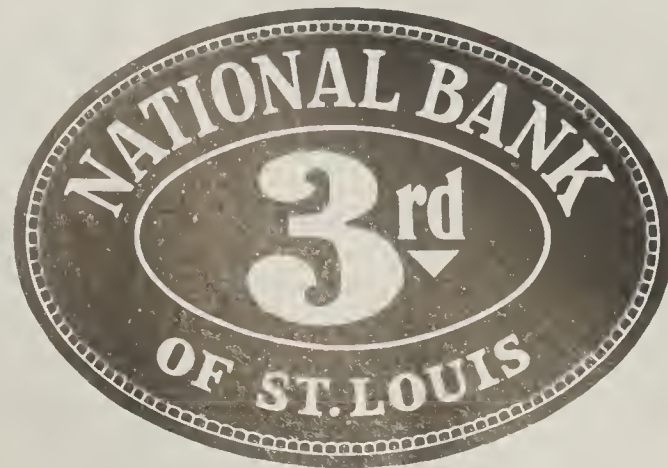
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CHICAGO

ADDRESSES GOOD ROADS GATHERING

William G. Edens, assistant secretary of the Central Trust Company of Illinois, and president of the Illinois Highway Improvement Association, went to Rome in Peoria county on Saturday last, to address a good roads meeting. About two hundred members of the automobile club of Peoria, and other owners of automobiles living between Peoria and Chillicothe have come to the conclusion that the river road between these two cities should be improved, so they called an automobile picnic for Rome on Saturday and invited Mr. Edens to attend their meeting. W. E. Hull of Peoria presided and after the refreshments had been served introduced Eugene Baldwin, publisher of the "Peoria Star," who spoke of the benefits to be gained by the people of Illinois who will engage in the campaign for general road improvement. Mr. Edens called attention to the work of the Illinois Highway Improvement Association and to the possibility of a state good roads convention being held in Peoria in September following the meeting of the state bankers convention at that point. The four townships through which the road from Peoria to Chillicothe passes were represented by their supervisors or highway commissioners, and following the suggestion made by Mr. Bartholomew of Peoria, president of the Avery Manufacturing Company, a committee was appointed and funds pledged to take up the work of immediate improvement of this road, and later on to develop wider plans for its permanent improvement. Mr. Edens says there was a number of Peoria and Chillicothe bankers present at the meeting and that Peoria has a splendid opportunity in the development of this river road, as there is no more beautiful river scenery in Illinois than that along the

river between Peoria and Chillicothe, and that with a river boulevard developed here it naturally would form a link in any trans-state road from any other southern part of the state that may be built to Chicago.

NORTH YAKIMA, WASH.

On May 1, 1912, for the first time in eleven and one-half years, North Yakima began issuing warrants for current expenses without registering and paying interest on them. The city was established on a cash basis in a little more than seven months from the time the commission form of government went into effect. On October 1, 1911, the outstanding current expense warrants amounted to \$81,756, drawing 8 per cent interest. A refunding bond issue of \$60,000 was made, redeemable after January 1, 1913, drawing 5 per cent interest. This was taken by the state treasurer and the proceeds applied by the city to redeeming its deficit. The remainder of the outstanding current expense warrants was reduced month by month until on May 1st the final call was issued by the city treasurer and there remained only \$1,258 outstanding, most of which was represented by warrants for labor uncalled for in the city clerk's office. To take up the refunding bond issue a redemption fund was created, which now contains \$14,352, and is expected to contain \$20,000 by the first of the year, when the \$60,000 issue becomes redeemable. In the period between November 1, 1900, and May 1, 1912, when the city had to depend on the money market to take up its current expense warrants, it paid in interest \$26,149. The bonded indebtedness of the city now stands as follows: \$48,000, sewer bonds, 4 per cent, expiring 1926; \$80,000 general indebtedness bonds, 4½ per cent, expiring 1928; \$30,000 re-

funding general indebtedness bonds, 5 per cent, expiring in 1930; \$60,000 sewer refunding bonds, 5 per cent, expiring 1931; \$50,000 main storm sewer bonds, 4½ per cent, expiring 1931; and \$60,000 refunding bonds, 5 per cent, expiring in 1932, but redeemable at the option of the city after January 1, 1913. In addition there are outstanding local improvement district bonds amounting to \$429,409, most of which is redeemable at the option of the city after the first year. This bears 6 and 7 per cent interest. The legal limit of indebtedness, under the assessed valuation of \$9,779,975 is 5 per cent, or \$488,998, for any purpose and an additional 5 per cent which may be used only for water, sewer or light bonds. With the \$328,000 bonds now in existence North Yakima has a margin of \$228,998 for bonds for general municipal needs or of \$689,997 for water, light or sewer bonds. The city commission now is planning to submit to the people at the general election in November the question of a \$350,000 or \$400,000 issue for sewers.

HARRY S. SMALE INDORSED FOR SECRETARY

Harry S. Smale, of the Continental and Commercial National of Chicago, who has been president of Chicago Chapter for the past year, has been indorsed by the chapter for the office of secretary of the Associated Chapters, and it is expected that many of the chapters will give him their hearty support at the coming convention to be held at Salt Lake City. Mr. Smale has been one of the effective, earnest workers for the Institute for many years, and his experience and ability is such that he would fill the position of secretary with great credit to the A. I. B. A strong resolution was unanimously passed by the Chicago Chapter at an open meeting.

Editorial Comment

ARE ROOSEVELT'S ALLIES DESERTING HIM?

All of the seven governors who originally urged Theodore Roosevelt to make his third campaign for the presidency, which that gentleman so reluctantly consented to do, at the expense of his convenience, are reported as deserting from the cause of the Colonel. Mr. Roosevelt has one consolation, however. Some of the trusts and big interests, of whose welfare he has been such an ardent champion, still will remain loyal to the third term, that is as long as he hoodwinks the people into believing that he is looking out for their interests, and not for those of Col. Roosevelt, and the trusts. Rumor has it that it has been proposed to President Taft to try to effect a reconciliation with certain interests by requesting the resignation of Attorney-General Wickersham, whose offense appears to be his able enforcement of the Sherman anti-trust act, and principally because he prosecuted the United States Steel Corporation which Roosevelt, contrary to law, permitted to absorb its only rival—the Tennessee Coal and Iron Company. There is no doubt that Senator LaFollette is correct when he says that Roosevelt has enrolled himself with the progressives simply to further his personal advantage, when, in reality, he has been receiving campaign contributions from some of the most gigantic combinations in the country. Most of the progressive members of congress have refused to stand by him owing to his criticism of Governor Wilson's views on the tariff question. By his action in that respect the Colonel has shown conclusively that he does not advocate any revision which will in any way be beneficial to the people. Friends of the Wisconsin senator believe that until Roosevelt injected himself into the recent campaign, the fight for progressive republicanism, which was being waged, was almost won. It is not believed that President Taft will acquiesce in the demands to dismiss the efficient attorney-general, any more than he did when a similar proposition was made at the beginning of the campaign; therefore Colonel Roosevelt is sure of the support of someone—at least as long as he continues submissive to the will of those who pay his freight.

AS THE BRITISH CONSUL SEES IT

Reporting to his home government, British Consul Courtenay Bennett, located at New York, has forwarded a fifty-page pamphlet detailing tendencies and conditions in the United States as he sees them officially. In fact, he covers a wide range of topics, including social and business conditions. The consul-general, discussing immigration into America, expresses the fear that the enormous influx of immigrants with different ideas of law, liberty and justice from those who founded the country, may lead to serious trouble in the future.

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

He says that the outlook indicates a lessening of Anglo-Saxon supremacy.

Mr. Bennett also points out that New York City is losing its supremacy as the money center of the United States, which is due, he declares, to the increase of wealth in other parts of the Union. This is in keeping with a former report in which it was predicted that Chicago ultimately will be the financial center with the largest and most powerful banks in America, if not the largest and most powerful in the world.

NON-WISDOM OF UNION LABOR

They have a bureau of labor statistics in New York and there should be one in each state. Such statistics are valuable to the business man and to the laboring man alike. Possibly the unions after awhile could see that a gain of 2½ per cent in wages is not a gain, but a loss, if secured by keeping an average of ten per cent of all union men out on strike for the year? In New York there are at present 2,450 labor organizations, with a membership of 497,000. The membership of the men's unions has decreased about 1 per cent in the last twelve months, and the membership of the women's unions has decreased about 4 per cent.

About 20 per cent of the union workers were idle on the last working day in March, and nearly 10 per cent are reported as continuously idle throughout the first quarter of the year. An "index figure," adopted by the bu-

reau several years ago, sets the level of wages for 1911 at 125 points and for 1912 at 128 points, indicating an increase during the year of about 2½ per cent. When strike benefits have been paid to the 10 per cent on strike the loss is 11½ per cent on the general issue, as against a gain of 2½ per cent in wages for the 90 per cent employed. Economically the year's work must be put down as a failure. Labor statistics should, in such cases, be studied with a view to improving the tangible results. There are too many strikes.

WHY NATIONAL BANKS FAIL

Perhaps the most potent influences instrumental in causing the failure of a national bank may be said to be dishonesty in the bank itself, excessive loans to individuals and firms and investment in prohibited classes of securities. If all banks would adhere strictly to the requirements of the national banking act, it is believed that the number of failures would be reduced to a minimum. One of the most prolific sources of disaster is excessive loans. This is a matter to which great attention should be paid by the national bank examiners. Loaning large amounts of money to persons with little or no financial standing, and who are unable to furnish collateral of any appreciable worth, practically is certain to result in dire disaster to a bank. While the banking law contains a provision in regard to this feature, it is not believed that it is specific enough, and should cover those cases of interlocking concerns where the division of a given loan among several signers is a technical rather than a real compliance with the law. The classes of security permissible to be taken also should be defined very explicitly. Another factor may be said to be hasty and superficial examination of banks. Much has been done to correct this, however, by the efficient course pursued by Comptroller Murray, who has issued certain instructions to his examiners by which they are to be governed in discharging their duties. It is rather difficult for a bank examiner to contend with dishonesty among the banking officials themselves, often being hindered in his work by opposition of the officers and directors of the institution. When Mr. Murray first took office he found that more than half of the banks were violators of the law. Under his administration this has been remedied to a large extent. The only way in which to obviate an evil of this nature is to enforce strict compliance with the law, and to have laws placed on the statute books sufficiently stringent to insure safe, conservative banking.

Albany, New York.—The Citizens Trust Company of Brooklyn, has received the approval of Superintendent Van Tuyl, Jr., of an increase of the capital stock from \$500,000 to \$1,000,000. The Citizens Trust Company recently absorbed the Broadway Bank of Brooklyn.

Convention Dates

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.
WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.
NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☞ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☞ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

HOW BANK DIRECTORS MAY MAKE EFFECTIVE EXAMINATIONS

(Continued from page 9)

above lines, by a committee of the directors who will give sufficient time to the work to make it thorough and complete, cannot fail to be of great benefit to all concerned, and this the directors owe to the shareholders who have placed them in their positions of trust."

NEW ASSOCIATION OFFICIALS

The South Dakota Bankers Association at its annual meeting at Belle Fourche elected the following officers: President, F. C. Danforth, Parker; vice-president, A. L. Frelove, Kennebec; treasurer, C. B. Olstead, Madison; secretary, J. E. Platt, Clark. Executive council: M. J. Cheney, Vermillion; William Ontjes, Sioux Falls; H. F. Haroldson, Brookings; W. H. Pratt, Chamberlain; C. A. Russell, Aberdeen; E. F. Waite, Miller; William Marty, Hot Springs; J. A. Pntzkau, Redfield; M. P. Beebe, Ipswich; W. S. Ayres, Dallas; F. A. Finch, Lemmon; J. W. Johnson, Spearfish. The convention selected Watertown as the next place of meeting.

North Carolina

The North Carolina Bankers Association at Morehead City on June 28th elected Leake S. Covington of Rockingham, president; Geo. A. Holderness of Tarboro, first vice-president; Thomas E. Cooper of Wilmington, second vice-president; J. L. Armfield of High Point, third vice-president, and W. A. Hunt of Henderson, unanimously was elected secretary-treasurer.

The bill providing for a state banking department under charge of the superintendent of banking was endorsed and all amendments offered were voted down.

Virginia

The Virginia Bankers Association elected the following officers for the ensuing year: President, Thomas B. McAdams, cashier Merchants National of Richmond; vice-presidents, Group 1, W. B. Vest, cashier Citizens and Marine Bank, Newport News; Group 2, W. M. McAddison, cashier National Bank of Virginia, Richmond; Group 3, C. C. Tiffany, president Fauquier National Bank, Warrington; Group 4, V. Vaiden, cashier First National, Farmville; Group 5, J. W. Bell, president First National, Abingdon; secretary, Walter Walker Scott, cashier Planters Bank of Farmville; treasurer, Julian Hill, cashier National State and City Bank of Richmond.

Arthur L. Phillips of South Orange, N. J., has been appointed cashier of the Merchants National of Newark to succeed Jay S. Treat, who died on July 3d.

ANOTHER VICE-PRESIDENT FROM CHICAGO

William C. Potter, president of the Intercontinental Rubber Company, has resigned that position to accept a vice-presidency of the Guaranty Trust Company of New York.

Mr. Potter is a Chicago product, having been born in this city in 1874, and is the son of



WILLIAM C. POTTER
New York

Edwin A. Potter, formerly president of the American Trust and Savings Bank of Chicago. He finished his education at the Massachusetts Institute of Technology, graduating from that institution with the class of

1897. By profession he is a mining engineer and metallurgist. For three years after leaving college he was engaged as foreman, engineer and superintendent of various mining operations in Colorado and Montana. In 1900 he was appointed mining engineer of the Atchison, Topeka & Santa Fé Railway, and from 1903 to 1905 was general manager of the Guggenheim Exploration Company in the Republic of Mexico. He became general manager and director of the American Smelting and Refining Company and American Smelters Securities Company in 1905, and for the past year has been president of the Intercontinental Rubber Company.

He thus takes with him to his new position a well-rounded experience as an executive, and one which will no doubt serve him in good stead in his new association.

ILLINOIS ROAD COMMITTEE MEETS

Road commissioners of Will, Kane, DuPage, Grundy, Kankakee and other counties in the northern part of the state met in Joliet on July 18th, with the special legislative committee appointed at the last session of the legislature, to study road conditions for the purpose of improving the laws regarding roads and bridges. The members of the committee are Senators Logan Hay, Springfield; C. S. Hearn, Quincy; John M. Chamberlain, East St. Louis; William H. Maclean, Chicago; Albert E. Isley, Newton, and Representatives Homer Tice, Greenview; H. T. Ireland, Washburn; R. S. Jones, Flora; R. P. Hill, Marion; Ben M. Mitchell, Chicago.

BANKING FIRM HAS ENLARGED QUARTERS

Von Frantzius & Co., bankers and brokers, Chicago, announce that they have enlarged their quarters by taking in the entire suite of offices at 122-124 South LaSalle Street. This firm is a member of the New York and Chicago Stock Exchanges, and of the Chicago Board of Trade.

Edwin F. Mack

Edwin F. Mack, vice-president of the Central Trust Company of Illinois, is spending a brief vacation in Michigan, his home state.

BANK EMPLOYEE SHORT

William B. Hale, assistant cashier of the Bank of Geneva, Ind., who committed suicide on Monday last, has been found to be \$14,500 short in his accounts by the state bank examiner.



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\$2,000,000.00

SURPLUS
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C. R. LAWS	Assistant Cashier



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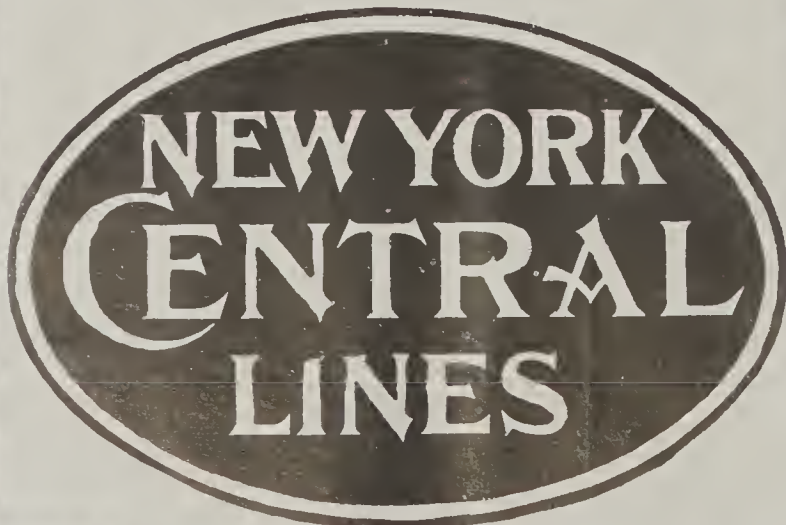
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**Makes Weekly Round Trips Between
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MILWAUKEE

Plans and Purposes of American Highway Improvement Assn.

Charles P. Light, Field Secretary, explains the work to West Virginia bankers at White Sulphur Springs. Aims to correlate and harmonize the efforts of all existing organizations working for road improvement.—To arouse and stimulate sentiment for road improvement.—To strive for wise, equitable and uniform road legislation in every state

It is only within the last ten or fifteen years that the term "good roads" has held a serious meaning to the people of the United States. "Good roads enthusiasts," "good roads meetings," were formerly regarded with a sort of tolerant derision. Those who had lived only in the sections of the country afflicted with bad roads could not comprehend the blessings of a good road—they could only see with half-like vision the baneful shadow of increased taxation. To such men the good roads cranks were dangerous disturbers of society somewhat in the same category with the anarchist. On the other hand the people dwelling in the cities and in the regions of fashionable country homes knew little and cared less about the people who were living all about them in an isolation made complete by the impassable barrier of bad roads. These wealthy citizens looked upon the good roads workers not with hostile distrust, but with a sort of languid toleration. Later on when the advent of the automobile sounded the call of the road to the rich travelers, and the more important problems of agricultural development, and public welfare began to arouse a feeble interest in the minds of our people, the inevitable professional agitator and charlatan made his appearance much to the detriment of legitimate organization and helpful educational work. At the same time, misguided but well-meaning efforts of honest road enthusiasts brought about all sorts of confusion in the road movement with organizations overlapping each other, with duplication of effort, and with mistaken ideas as to the real problems involved. But through it all the tremendous importance of the question and the calm judgment of the people have together worked a steady evolution until to-day the road movement in America is on a firm basis, the educational propaganda is well organized and practical, and favorable results constantly are being achieved. Now the tax-fearing owners of farms are awakening to a realization of the fact that a good road is a good investment; now the languid interest of the wealthy city dweller has become a keen and practical interest largely through the influence of the automobile; now the public-spirited, strong-minded men of the nation who are its leaders in the various walks of life, who study its problems and contribute to its welfare, have become informed as to the importance of the road as a factor in our national and individual life; now the interests which may profit commercially through the improvement of our public roads have become far-sighted enough to see the wisdom of uniting their private interest with the public welfare. For example, the railroads, the manufacturers, the owners of pleasure resorts, all actively are casting their support with the road movement. Some of the most progressive railroads, among them the Southern Railway Company under the able presidency of W. W. Finley, and the Frisco Lines under the wise guidance of B. F. Yoakum, have been sending out special trains equipped with models demonstrated by experts for the purpose of spreading the knowledge of road construction and maintenance.

Representing the crystallization of all these forces which have been moving toward a common end is the American Association for Highway Improvement, which has for its president, Hon. Logan Waller Page, director of the U. S. Office of Public Roads; for its treasurer, Hon. Lee McClung, treasurer of the United States; for its vice-president, W. C. Brown, president, New York Central Lines;

for the chairman of its board of directors, Hon. James S. Harlan, of the Interstate Commerce Commission; and for the chairman of its executive committee, W. W. Finley, president of the Southern Railway Company; and for the chairman of its membership committee, Thomas Nelson Page, the noted author. The association has strong leaders; it has about 1,400 of the best men of the nation on its roster as members, and it is striving for the necessary practical reforms, and is working to bring about a correlation of all existing agencies in order to obtain them. There are now between forty and fifty organizations affiliated with the American Association for Highway Improvement and working with it in entire harmony. Before explaining in detail the purposes of the association and the manner in which it is seeking to accomplish them, I wish to say a few words to you first in your official capacity, and second in your capacity as citizens, as to the road movement in general, and how it concerns you so closely as to demand your active and thorough support.

It would seem to me to be axiomatic that the promotion of general properties redounds to the profit of banking institutions, because securities are safer, deposits larger, and large business transactions more frequent. If transportation of commodities is made easier between the farms and the markets, banking institutions will increase the radius of their business transactions to the extent to which the improved transportation facilities increase the traffic to the towns in which banking institutions are located. If the farmers can get to the town readily and from considerable distances, there will be a noticeable decrease in the primitive banks made up of tin boxes, old stockings and holes in the wall. Furthermore, if the farmers are able to market their crops without regard to road and weather conditions generally, collections will be more prompt and financial stringency more readily avoided. R. G. Dun & Co., some years ago, gave out a report that the financial stringency at that time was due more to bad roads than to any intrinsic weakness in financial conditions, because farmers could not get their crops to market and consequently could not meet their obligations. This produced a scarcity of money at local centers and the effect spread to the great financial districts just as the waves would spread from a stone thrown into a river until they reached the banks. Another phase of the situation which I do not believe is given sufficient consideration in financial circles is the fact that we are spending now about \$150,000,000 a year on public roads. Last year about \$40,000,000 of this amount was in the form of bonds voted by counties and townships and not including the bonds voted by cities and states. Bankers certainly should be interested in having these enormous sums wisely expended so that the securities may be safe and easily negotiated and so that all of the financial transactions

may be on a business-like basis designed to benefit the community and to protect investors. These bond issues also mean the deposit of large sums of money pending the building of the roads, and the banks profit by these deposits. Bond issues afford an excellent means of obtaining good roads if the money is expended wisely, and I do not know of any class of citizens who are better equipped to see that proper expenditures are demanded and secured than the men who operate banking institutions.

It is idle for me to tell you that good roads pay because they increase the value of land and reduce the cost of hauling, but there are very few people who realize what a really remarkable difference good roads make in these two respects. I personally have known of increases of 900 per cent in land values following the building of a good road, while as to the cost of hauling, I may say that some experiments conducted in California with gasoline tractors demonstrated the fact that hauling could be done as low as 3 cents per ton mile. This is, of course, an exceptionally low figure, but think of its possibilities when it is compared with the present average of 23 cents per ton mile on our country roads. Any very large reductions in the cost of hauling would mean a tremendous increase in the acreage of farm lands under cultivation, a consequent increase in the production of food stuffs, and a lowering of the cost of living. With so large an element of our population crowded into the city, and a consequent decreasing percentage of food producers, our trouble must be considered as largely due to under-production and over-consumption. Good roads would increase our national wealth, halt our rapid progress toward a dependency upon other nations for our food products, and again make us a great exporting instead of an importing nation of food stuffs. A glance at our export and import records will show how alarming is the decrease in our exports of grain, showing that we rapidly are approaching the time when we will not produce enough to supply our people. It is time that we were doing something to increase our production, and what better way can we do this than by lowering the cost of hauling and bringing the city and country closer together, and making country life more endurable, more profitable, and far happier than it is at present. Railroad rates in 1838 were 7½ cents per ton mile, and they have been brought down steadily until they are now seven or eight mills per ton mile, and we still are kicking about high railroad rates. Why should we not devote a little of our famous American energy toward a lowering of public road rates and a more general use of the road? The roads of France haul 1½ times the traffic that the railroads haul. If we bring about similar conditions here our public roads will have an annual traffic of over 1,200,000,000 tons, as our railroads now are hauling about 900,000,000 tons annually.

Leaving out of consideration the question of money benefits, do you know that bad roads are lowering the standard of our citizenship, and that good roads are having a contrary beneficial effect, and that this process if it goes on in time will place the good road sections of the country far ahead of the bad road sections in the mental and moral qualities of their citizens. The explanation of this statement is simple. According to some careful government investigations it was found that in five states where the roads uniformly are

(Continued on page 29)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The most important bank announcement of the Central West within the last two years is the formal notice of the consolidation of the Southwest National Bank of Kansas City with the National Bank of Commerce of that city which was consummated last week. The merged institution will be known as the Southwest National Bank of Commerce and it will have a capital stock of \$3,000,000, the aggregate of \$2,000,000, capital stock of the National Bank of Commerce and \$1,000,000 capital stock of the Southwest National Bank. It is said that the deal was made on the basis of the holders of shares in the two respective banks exchanging their holdings for an equal number of shares in the merger bank. No bonus was paid for stock in either bank. The new bank will be the largest in Kansas City and the Central West. The last statement, made June 14th, showed the deposits of the National Bank of Commerce to be \$19,466,162 and the Southwest National to be \$9,687,952, or a total of \$29,154,114. The same call statement showed the deposits of the First National Bank, which were the greatest of any bank in Kansas City, to be \$26,308,593. The National Bank of Commerce showed surplus and undivided profits of \$781,505 and the Southwest National \$337,469. The news of the merger has caused the market price of the stock in both banks to rise. For the Southwest National \$200 a share has been bid and \$201 asked. For the National Bank of Commerce \$199 has been bid and \$200 asked. J. W. Perry, president of the National Bank of Commerce, will retain his office in the consolidated bank, while F. P. Neal, president of the Southwest National Bank, will be chairman of the board of directors. The other officers of the National Bank of Commerce and J. M. Moore, cashier, and Eugene P. Davis, assistant cashier of the Southwest National Bank, are to be retained. The Southwest National Bank is to abandon its quarters in the New York Life building and the merged bank will occupy the present banking rooms of the National Bank of Commerce in the fifteen-story Commerce Trust Company building at Tenth and Walnut streets. The following will be the board of directors of the new institutions: A. W. Byers, Frank G. Crowell, W. S. Dickey, George D. Ford, Edward George, John G. Groves, H. A. Guettel, J. D. Guyton, S. Harzfeld, J. J. Heim, George R. Hicks, Walter M. Jaccard, L. T. James, W. D. Johnson, R. A. Long, J. Z. Miller, Jr., John M. Moore, Fernando P. Neal, E. D. Nims, J. G. Peppard, J. W. Perry, W. A. Pickering, H. L. Root, Nathan Schloss, C. J. Schmelzer, O. C. Snider, J. P. Townley, S. H. Viele, C. H. Whitehead, Edwin W. Zea.

Alleged Swindler Arrested

Postoffice inspectors have arrested E. C. Wooddell, late of Oklahoma City, Okla., upon an indictment returned against him at Oklahoma City, June 13th, charging him with using the mails to defraud. According to the inspectors Wooddell, as manager of the Bankers Loan Association, maintained elaborate offices in Oklahoma City where he kept stenographers busy sending letters to the bankers of the Southwest. In these letters to bank presidents and cashiers, Wooddell is alleged to have given notice that he, as representative of a wealthy capitalist of London, England, was ready to negotiate loans on real estate. The wealthy capitalist of London was said to want only five per cent interest. Wooddell, it is said, asked the bankers and cashiers to make out the notes for eight per cent. An eastern representative was to get one-half of one per cent, and the remainder over five per cent was to be divided equally between the Bankers Loan Association and the bank presidents and cashiers securing the loans. With each application for business, Wooddell is alleged to have demanded that one-half of one per cent and his half of the interest over five per cent be sent in advance. The government charges that sums from \$25 to \$400 and amounting to more than \$10,000 were obtained in this way.

Oklahoma Deposits Fall Off

Oklahoma state bank deposits fell off nearly four million dollars between the time of the consolidated statement issued in May, and the showing reported on for June 14th, according to the statement issued by Bank Commissioner J. D. Langford. In June there were 623 banks reporting, which is four less than the previous report. The deposits as shown in the June report are \$34,413,504, while for the May report they were \$37,121,207. This is accounted for through loans made to farmers who when borrowing take the money out of the banks, whereas merchants when making loans generally redeposit the money. It is the opinion of Bank Commissioner Langford that from now on deposits will begin to pick up, and a much better showing will be made in the next call.

Bank Robber Captured

In October, 1911, Daniel Carney, while in jail at Marysville, Kan., waiting transfer to the penitentiary to serve a ten-year sentence for bank robbery, escaped, and the Kansas authorities offered \$500 reward for his capture. Carney was caught last week in Denver through the work of an amateur detective who formerly lived in Marysville and knew the yeggman by sight. With a gang of other outlaws including the desperate Neal Mulcahey, Carney robbed several banks in Kansas in 1911, making good hauls at Waterville and Bettie. Mulcahey also escaped from the Marysville jail and still is at large.

Negotiations Pending for Franchise Extension

In order to protect the interests of the stockholders of the Metropolitan Street Railway Company of Kansas City in the negotiations for an extension of the company's franchise, a call has been issued for all owners of stock to deposit their holdings with the Continental and Commercial Trust and Savings Bank, 129 South Clark Street, Chicago. It is proposed to authorize a committee representing these stockholders to act for the best interests of all concerned. Foreclosure proceedings have been begun on behalf of the bondholders, but if a new franchise is granted by Kansas City it is believed that this suit will be dismissed. The obligations of the company amount to \$28,478,100, of which \$4,103,000 is due September 1st next. The prospects now seem good for a settlement of the franchise negotiations which have been under way for nearly two years.

Central West Notes

Kansas municipalities so far this year have issued bonds to the amount of three and one-half million dollars. That amount has been

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CAPITAL \$500,000
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offered to the state school fund commission, and while the sum is not as great as it was for the first six months of 1911, crop conditions were better in 1910 than they were in 1911. Bond issues follow farm yields up and down.

J. M. Scammon, president of the Citizens Bank of Rockport, Mo., and one of the largest land holders in the northwestern part of that state, died at his home in Tarkio, Mo., last week. Mr. Scammon was well known to the banking fraternity of the Central West. He was an uncle of G. M. and F. C. Smith, Kansas City bankers.

The First Guaranty State Bank of Denton, Texas, has perfected its organization by the election of J. P. Blount, president; Dr. M. L. Martin and J. A. Rhoads, vice-presidents; W. E. Smoot cashier, and J. S. Carlisle, assistant cashier. The bank has a paid-up capital of \$50,000.

The Colonial Trust Company of Hillsboro, Texas, opened for business last week, having a paid-up capital and surplus of \$600,000 with an authorized capital of \$1,000,000. The following are the officers and directors: G. L. White of Hillsboro, president; W. M. Williams of Hillsboro, vice-president; Pat E. Hooks of Itasca, vice-president; John R. Griffin of Itasca, active vice-president; Ed Woodall of Hillsboro, secretary and treasurer; D. B. White of Bynum, administrator and guardian officer; Ed. Wilkinson of Itasca, Thos. Hill of Whitney, H. C. McCarter of Italy, John R. Slay of Frost, O. D. Greenhill, J. K. Parr, W. F. Sims, A. L. Smith and W. C. Robertson of Hillsboro, Dr. A. C. Saylors and J. M. White of Bynum, W. T. McGrew of Mount Calm, J. E. Armstrong of Irene, G. B. Reynolds of Waco and John T. Smith of Austin, directors.

The officers and directors of the City National Bank, Temple, Texas, held a reception to the public the night of July 10th in celebration of the tenth anniversary of the establishment of the institution.

The Kaufman County Bankers Association held its annual meeting in Terrell, Texas, last week. Following routine business the visiting bankers were given a dinner by the bankers of Terrell.

The First State Bank of Newsom, Texas, has been authorized with a capital stock of \$12,000. The incorporators are W. B. Sellers, J. L. Clinton and J. J. Rouse of Newsom.

M. L. Turner, president of the Western National Bank of Oklahoma City, and S. B. Hovey, a banker of Fort Worth, Texas, receivers for the Kansas City, Mexico and Orient Railroad, spent several days in Kansas City last week discussing financing propositions with local bankers.

The following bankers were visitors in Kansas City's financial district last week: E. J. Williams, president of the Wilson County Bank, Fredonia, Kan.; T. H. Brown, president of the Citizens State Bank, Sterling, Kan.; M. L. Mertz president of the San Angelo National Bank, San Angelo, Tex.; R. J. McBride, president of the Oklahoma State Bank, Caddo, Okla.; A. B. Gilbert, cashier of the First National Bank, Newton, Kan.; T. P. Green, assistant cashier of the Bank of Belton, Belton, Mo.; R. B. Temple, president Reserve State Bank of Wichita, Kan.; J. F. Kroul, president of the Youkon National Bank, Youkon, Okla.;

P. A. Norris, vice-president Guthrie National Bank, Guthrie, Okla.; S. E. Trimble, cashier of the Union National Bank, Springfield, Mo.; F. W. Pollman, cashier Linn County Bank, La Cygne, Kan.; C. E. Carpenter, cashier Farmers National Bank, Oklahoma City, Okla.; W. S. Reed, cashier Cimarron Valley Bank, Cole, Okla.; Wallis D. Wilson, cashier First National Bank, Horton, Kan., and H. W. Hall, assistant cashier Citizens National Bank, Emporia, Kan.

C. G. Hutcheson, cashier of the First National Bank of Kansas City, attended a meeting of the agricultural committee of the Missouri State Bankers Association in Sedalia last week.

Houston, Texas, voted general improvement bonds last week aggregating \$2,500,000, the largest items going for storm drainage, sewers, high schools, paving, parks, bridges, and the city hall annex.

William Dyer, cashier of the Farmers Bank of Grandview, Mo., was badly injured last week when his motor car ran into a barbed wire fence near his home.

The Texas banking department has approved the following reserve agents: For the First State Bank of Bronte, the Drovers National Bank of Kansas City; for the First State Bank of Dodsonville, the Traders National Bank of Kansas City; for the First State Bank of Clifton, the Guaranty State Bank of Dublin, the Rosebud State Bank of Rosebud, the First State Bank of Penelope, the First State Bank of Otto, the First State Bank of Carbon, the Dawson State Bank of Dawson, the First State Bank of Marlin, the Farmers and Merchants State Bank of Carlton, the First State Bank of Mount Calm, the Citizens Bank and Trust Company of Austin and the First State Bank of Malone, the Central Exchange National Bank of Waco; for the Farmers State Bank of Chappell Hill, the Union National Bank of Houston; for the First State Bank of Canyon, the First State Bank of Amarillo; for the First State Bank of Hamlin, the First State Bank and Trust Company of Abilene.

John C. McGuire, cashier of the State Bank of Bancroft, a small town near Seneca, Kan., has been arrested charged with defalcation. State Bank Commissioner Dolley caused the arrest. It is said that the shortage is only about \$1,000 and McGuire was released on \$5,000 bond.

GOOD ROADS MEETING

The officers and members of the executive committee of the Illinois Highway Improvement Association will give an informal dinner at the Chicago Athletic Club on Saturday evening, July 20th, at six o'clock. This meeting is called for the purpose of planning a program for a state-wide good roads meeting to be held in Peoria, September 27th. The following officers and members of the executive committee, as well as representatives of other Illinois organizations interested in this important subject, will be present: President William G. Edens, assistant secretary of the Central Trust Company of Illinois, Chicago; First Vice-President S. E. Bradt, vice-president of the First National, De Kalb; Second Vice-President C. A. Cuyler, chairman of the good roads committee, Illinois Commercial Federation,

Champaign; Third Vice-President C. A. Miller, Commercial and Automobile Club, Cairo; Fourth Vice-President F. A. Garner, mayor of Quincy; Treasurer Thomas Sudduth, director of the Farmers National of Springfield; Secretary R. J. Finnegan, editorial department of the Chicago Journal; W. E. Hull, Association of Commerce, Peoria; J. B. McGuire, Commercial Club, East St. Louis; Philip Freilar, Commercial Club, Elgin; M. L. Odea, La Salle Commercial Association, La Salle; Charles George, Rock Island County Farmers Association, Cordova; Henry Paulman, Chicago Motor Club; Eugene Funk, Commercial Club, Bloomington; H. G. Herget, chairman of the good roads committee, Illinois Manufacturers Association, Pekin; O. W. Hoit, president of the First National of Geneseo, Geneseo Commercial Club; Oliver Wilson, master of National Grange, Peoria; A. J. Wiliford, president of the Illinois Automobile Association, Nokomis; H. A. McKeene, secretary of the Illinois Farmers Institute, Springfield; Eugene U. Kimbark, president of the Chicago Association of Commerce; Richard Dunn, chairman of the good roads committee of the Hamilton Club; J. D. Phillips, Green Valley, vice-president of the Illinois Bankers Association; A. N. Johnson, state road engineer, Springfield; B. F. Harris, president of the Illinois Bankers Association, Champaign; George Passfield, Jr., Illinois Federation of Commercial Clubs; Hon. Logan Hay, state senator, Springfield; John M. Glenn, secretary of the Illinois Manufacturers Association; W. L. Park, vice-president of the Illinois Central R. R.; Gaylord Warner, assistant to the vice-president of the Rock Island Lines; Hon. Homer J. Tyce, chairman of county and township organizations, roads, highways and bridges, Illinois legislature, Greenview. W. H. Miller, editor of the "Free Trader" of Ottawa, who has prepared some very readable pamphlets touching upon the subjects of agricultural development and education and road improvement, and which have been circulated by the committee on agriculture of the Illinois Bankers Association, will be present as a guest of the association. There have been requests for other good roads meetings to be held in various cities in the state. Cairo and DeKalb have asked that meetings be held in their respective cities. Recently in southern Illinois largely attended meetings have been held in Centralia, Greenup, Vandalia, and towns located along the national road which crosses the state from east to west. An organization is being perfected by the people of this section to urge the rehabilitation of this road and the making of a permanent state highway of it.

HIGH RECORD IN CLEARINGS

The marvelous prosperity of Pittsburgh in financial, industrial and general trade conditions accurately is reflected in the enormity of the bank clearings for the first six months of 1912, which set a new high mark in the history of the banking institutions of the city. Bank clearings reaches the new high record of \$1,342,000,000 for the first half of this year.

W. F. Doggett

W. F. Doggett, assistant cashier of the Colonial Trust and Savings, who has been ill for a short time, has resumed his duties at the bank.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

INDIVIDUAL GROWTH—NOT CONSOLIDATION

The Spirit of Modern Banking

Is to adapt general and specialized facilities to the individual needs of each customer.

In our relations with other banks and bankers our endeavor has been to realize in some measure this ideal of successful banking.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Whether the bankers will go into the harvest fields and help out in garnering the grain on the Northwestern prairies is the burning question. Two counties along in the Dakotas will want 5,000 men. A car shortage is inevitable. Will a man shortage be? If it is, is it up to the bankers who have been showing the farmers how to farm, to go out and harvest? Flits of thoughts through the banker brains are as above. A problem, with such a harvest as seems to be approaching at headlong pace, is how to get it cut. Will there be a bumper crop of men? And if not, the farmers will want to know from the bankers, having followed their advice thus far, how to get the sheaves into the barns and stacks.

Large Sum for Crop Payments

A large amount of money is to be sent out of Minneapolis for crop payments, borrowed by grain commission men, elevator men, railroads and others. Joseph Chapman, Jr., has something to say of this, as follows: "If 260,000,000 bushels of wheat had to be moved all at once at a dollar a bushel it would require an immense outlay of money, but inasmuch as a great many of the farmers will hold their wheat for higher prices, the immediate demand for money will not be so great. The loans are all for six months. There is no question but that the Northwest crop of 1912 will be the greatest in 20 years, and the demand on the banks will be in proportion. In addition to the money we are required to furnish, there is also a great amount from Chicago and New York."

Crop Conditions More Favorable

Crop conditions are indicated by a Wells & Dickey Co. circular, showing them a trifle more favorable than a week previous, owing to general rains in North Dakota and Montana. It continues: "At least 80 per cent of our correspondents feel the crop is now saved, except in a few isolated localities, where more rain may be needed later."

"Corn is late, but showing good, steady, healthy growth. Barley harvest has started in

South Dakota, and some winter rye in North Dakota. Winter rye crop shows excellent prospects. Early wheat is headed; in some localities the straw is short.

"Conditions generally throughout the Northwest augur well for a prosperous season."

Tribute to George C. Power

Resolutions by the directors of the Second National of St. Paul on the death of George C. Power, late president, read in part: "In our finite and limited view it would seem that Mr. Power has been taken from us at a time when he could least be spared. He had attained a very influential position, not only in this community, but among the business institutions of the Northwest.

"His painstaking devotion to work, loyalty to employers, integrity and high sense of honor, pronounced ability, and accurate knowledge of human nature, account in a large measure for his rise from errand boy to president.

"He was as simple, unostentatious and unassuming as a child, yet forceful, sane and wise."

Boosts California

F. H. Peterson, president of the Union State, back after three months in the West, mostly in Southern California, says: "Every man in that country is a 'booster'; they do things down there. Why, in Los Angeles county they have laid out 300 miles of roads, and have built 250 miles at a cost of \$8,000 to \$13,000 per mile. And such roads—every rod as good as Nicollet Avenue in its best portion; and they keep up the roads they have built."

Member of Chamber of Commerce

Charles G. Gates is now a full-fledged member of the Minneapolis Chamber of Commerce. He had his seat and has now been voted in. He has just returned to New York. "I think Minneapolis has the best chance for a big fall business of any western city," he said. "The crop outlook is certainly good."

Perry Harrison Says Crop Conditions are Good

Digesting reports from crop correspondents, Perry Harrison, vice-president of the Security National, says: "Such South Dakota reports as we have received are favorable. In all the reports we have not one that can be said to be bad. One reports rust in the grain and several speak of sufficient moisture and the desire for warm weather. All indicate that the possibility for any great loss or deterioration rapidly is passing and that only excess moisture or very serious general storms can sufficiently bring down the whole to make a material difference."

Banking Miscellany

Various aldermen in the Minneapolis council are worried over the alleged taintedness of \$125,000 which Andrew Carnegie has offered for branch library buildings. Sane citizens have leaped to the fore to deny the taint and defy the tainters. One of these is Joseph Chapman, Jr. He says: "I think the talk about tainted money is the most foolish thing I ever heard of. I am in favor of taking as much as we can get. We need the libraries."

A prospect is announced of the State Bank of Commerce of Winnebago, Minn., being re-opened under the management of an Iowa banker. A committee of stockholders has presented the matter to Kelsey S. Chase, state superintendent of banks, and he arrived Thursday to confer.

W. Anderson, vice-president of the Scandinavian-American State of Badger, Minn., has filed as state representative from the sixty-first district, opposing D. P. O'Neill, Thief River Falls.

The Farmers and Merchants State of Donnelly, Minn., has incorporated with \$15,000 capital. C. B. Kloss is president and C. C. Erstad is cashier. The surplus is \$3,000.

Cashier H. S. Abbott, of the Iowa National at Milford, has sold his stock to E. L. Ewen

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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and resigned. F. A. Heldridge is advanced to cashier and Mr. Ewen becomes assistant in place of the latter.

L. A. McMurray, president of the Hamilton County State, Webster City, Iowa, has been elected president of the Ellsworth State of Ellsworth.

Fred Pfaender, cashier of the New Ulm (Minn.) State since its organization in 1901, has resigned to go into the real estate business.

Directors of state banks have been urged by Superintendent of Banks Kelsey S. Chase in a circular to take more active part in banking affairs and to look over the bank's paper in each case at least once a month.

The estate of the late George C. Power, president of the Second National, was probated at \$8,000. Of this amount \$6,000 is given as personal. The life insurance is understood to be \$25,000.

The Farmers and Mechanics Savings has asked the city council tax committee to reduce the valuation of its property from \$225,000. The bank says that in this amount is included tax-free mortgages and territorial bonds, the question of whose taxation is now in the courts. It was said that even including these items the total valuation would not exceed \$189,000.

Paving bonds issued by St. Paul to the sum of \$45,000 were bid at 5¼ per cent by Edwin White & Company, local house. Several other offers were made, but the White bid is expected to take a large proportion of the issue.

George A. Lyon, assistant cashier of the First, Minneapolis, returning from the Washington bankers' meeting at Tacoma, said: "We found business good in Washington compared with what it has been, and the depression seems to be lifting. The lumber business is much better and the crops are doing well."

After a Labrador fishing trip with James J. Hill of the Great Northern road, W. H. Dunwoody, director in the company and chairman of the Northwestern National, has returned. The trip was on the yacht "Wacouta."

Under a court decision recently rendered, the criminal provisions of the banking law of South Dakota have been abrogated, and there is no criminal liability attached to violation of the banking law.

The Stockyards National Bank of South St. Paul has doubled its capital stock from \$100,000 to \$200,000, with \$20,000 surplus.

Gilbert, Minn.—The First National Bank of Gilbert Minn., takes over the First State; Alfred Hoel, cashier; A. B. Shank, assistant. R. R. McQuade, cashier of the First State, will take a position at Coleraine, Minn.

Minneapolis.—Elbridge C. Cooke becomes a director of the First National of Minneapolis, succeeding W. D. Douglas, deceased.

The Bank of Wolsey, S. D., incorporated with capital of \$10,000. R. F. Chenoweth, A.

M. Chenoweth and L. F. Drake, all of this place, and J. E. Swinburn of Marine, Ia.

The First State Bank of Manning, N. D., has been chartered. Chas. E. Kapelovitz of Minneapolis; A. N. Beiseker of Harvey, N. D.; A. O. Nelson and others are the incorporators.

A. L. Herring, cashier of the Havre (Mont.) National Bank, has been indicted by the federal grand jury on a charge of making false reports to the comptroller of the treasury.

An attempt recently was made to rob the First State Bank of Mantorville, Minn., by cutting through the vault from the rear.

M. A. Fitzsimmons, cashier of the closed bank of Ironwood, Mich., has been arrested on a charge of embezzling \$123,000. The indictment contains twenty counts.

The Union National Bank of Merrillan, Wis., has sold its stock to a new bank being organized, to be known as the Union State Savings Bank and Trust Company, headed by J. H. Bennison of Lenox, Ia. T. Pierce, president of the Union National for thirty-two years, has resigned.

Geo. M. Reynolds

George M. Reynolds, president of the Continental and Commercial National of Chicago, recently has returned from a trip to New York.

WORK OF SOUTHERN COMMERCIAL CONGRESS

"Seeing South America" may be added to the prospectuses of railroads advertising tours to Washington, D. C., as a result of the joint efforts of Secretary of State Knox and President Fletcher of the Southern Commercial Congress to install in this city a permanent exhibition of South American products.

Ever drink yerba mate? They do in South America. It is only tea—the kind they grow in Paraguay. This will probably be one of the exhibits set out for the edification of Washington tourists. Peru may send up samples of her paltas and chirimoyas. These are tropical fruits. Think of the best Baldwin apple you ever tasted. Multiply its lusciousness by three, cut your apple in half, and eat it with a spoon. That is an unflattering portrait of the palta.

Llama wool, uncut emeralds from Colombia, diamonds from Brazil, rubber from the wild headlands of the Amazon, nitrate from Chile, cabinet woods from the interior jungles of the North, and what not in the way of Latin-America's products which the Panama Canal promises some day to make part of our everyday consumption, will probably form part of the exhibit. Then, too, South American countries are expected to show American sight-seers astonishing facts regarding their production of staple articles, of the grade of wheat raised in Argentina, of the cattle industry of

Uruguay and the Argentine, of coffee from Brazil, and cocoa from Ecuador and Colombia.

The work of gathering this exhibition is being done directly by the Southern Commercial Congress. Secretary of State Knox has ordered the American diplomatic and consular officers in South America to lend their assistance to the work. The gathering of this exhibition is only one part of an extensive program for the expansion of Pan-American trade interests outlined by the Southern Commercial Congress. In the fall of 1913 the congress will hold a convention in Mobile, Ala. This is at the time of the opening of the Panama Canal, and it is proposed to have the Latin-American Republics represented at the convention by delegations. Secretary Knox is lending the congress the entire strength of the department of state in so far as it can be extended in behalf of a private organization. He believes that such work as that which the congress has undertaken will prove a great step in bettering relations between the United States and its Latin-American neighbors, and has, consequently, instructed both the diplomatic and consular officers to co-operate with the congress in every possible way.

BANKERS TO TOUR YELLOWSTONE PARK

The New York Central is arranging a special train for bankers to start from New York on August 24th. Those on board will tour Yellowstone Park, Salt Lake and the Colorado Rockies, and will consist of those bankers who expect to attend the convention of the American Bankers Association to be held in Detroit the week of September 9th. The train will go direct to Yellowstone Park via Chicago and St. Paul; it will be known as the "Red Section." After leaving the Park at the western gateway the bankers will go to Salt Lake City, where a brief stop will be made in order to enable them to visit the points of interest; thence they will proceed over the D. & R. G. to Glenwood Springs, through the Royal Gorge to Colorado Springs, and after making the usual side-trips, will go to Denver. The train will arrive in Detroit about four o'clock the afternoon of September 8th, and will land the bankers there in ample time to attend the convention. After the convention the tourists will leave Detroit on the new steamer, "City of Cleveland" for a trip across Lake Erie, after which they then will proceed to New York. The cost of the entire trip will be \$250, which includes round-trip Pullman accommodations and expenses in Yellowstone Park; in fact, all expenses except hotel accommodations during the convention at Detroit and stateroom in steamer from Detroit to Buffalo. Full information will be furnished upon application to W. V. Lifsey, general eastern passenger agent, 1216 Broadway, New York City.

R. H. Williams, cashier of the State Bank at South Shore, S. D., who is said to have been an embezzler, committed suicide when he believed exposure near.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

SOME OF THE NEWER COURT DECISIONS AFFECTING BANKS

(Continued from page 8)

management. This cause has been appealed to the supreme court, has been argued ably and fully by a large array of counsel, but has not yet been decided.

The question of bank officers' liabilities is one which frequently comes up in connection with banking institutions which are wrecked by reason of the failure of other concerns in which such officers are interested.

In Elliott vs. Farmers Bank, 61 W. Va. 641, the following broad doctrine is laid down by the supreme court:

"The relationship of officers and directors of a corporation and stockholders and creditors is that of trustees and 'cestuis qui trustent.' This especially is true in regard to banking corporations where they owe an earlier duty to depositors, and if by their gross mismanagement and neglect loss is incurred, they will be rendered liable therefor to creditors and stockholders. Directors and officers of a banking corporation will not be relieved from such liability on account of ignorance or want of knowledge of those matters which it is their duty to know; and if they negligently entrust such matters to others, the loss incurred thereby should fall on them, and not upon their confiding depositors and stockholders."

A few of the recent leading cases of our supreme court of appeals will be noticed with a brief statement of the facts involved.

* * *

The cast of the American National Bank vs. Ritz, (74 S. E. R. 679) is one involving due notice to a bank. The plaintiff bank sued defendant Ritz on two negotiable notes on which he was endorser. The notes were given by the Southern West Virginia Fuel Company, and were discounted for the benefit of that company. Fowler, at whose request Ritz endorsed the notes, was president of the company and also president of the bank, and practically made the loan. Ritz also was a director in both corporations.

Defendant Ritz set up as defense that he was merely an accommodation endorser of the notes at the request of Fowler as president of the Fuel Company; that he signed the notes with a distinct understanding and agreement between himself and Fowler that the other directors of the company would endorse them before they were discounted, and that the notes should not be used until a writing was signed by all the directors stipulating that said directors as endorsers were liable only in proportion to their respective stock; that such a writing was prepared by him, signed by himself, Fowler and one other director, and that Fowler was to obtain the signatures of the other directors to this writing as well as on the notes before using same. Fowler, however, discounted the paper without getting the signatures of four directors, either to the agreement or on the notes. The defendant further claimed that at the time the notes were discounted, the bank had notice through its president, Fowler, of these agreements in the premises, and was therefore advised of the infirmity of the paper in relation to the defendant, when it became the holder of the same.

The trial by jury in the circuit court of Mercer county resulted in judgment for the defendant, but on writ of error this judgment was set aside by the supreme court, which

held: Knowledge by one of the officials of a bank acquired in a capacity other than as its representative, relating to infirmity in commercial paper offered for discount, is not notice to the bank, when that official is also an officer of the corporation seeking the discount and has an interest in the transaction so adverse to the bank that the reasonable presumption is that he would not communicate the knowledge to it.

The case was remanded for a new trial, and defendant has another opportunity of proving other and proper notice to the bank. The opinion of the court was prepared by Judge Robinson.

* * *

The hard-fought case of Bank of Williamson vs. McDowell County Bank, (66 W. Va. 545), is one involving the question of mutual negligence. The facts are briefly as follows:

One D. B. Young had on deposit in the Bank of Williamson one thousand dollars, on which he never had drawn any checks. He resided in Kentucky, several miles from Williamson. A forged check for eight hundred dollars, drawn on the Bank of Williamson in favor of "George Horner" and purporting to be signed by D. B. Young, was presented to the McDowell County Bank, at Welch, by a stranger who wrote the name George Horner on the back of it, and delivered it to the bank. For some reason, the bank did not give him the cash or place the amount to his credit, but took the check for collection, and, after stamping the following endorsement upon it: "Pay

to the order of any bank, banker or trust company. All prior endorsements guaranteed. McDowell County Bank, Welch, W. Va., I. J. Rhodes, Cashier," sent it to its correspondent at Williamson, W. Va., the Mingo County Bank, which endorsed it in a similar way; and the Bank of Williamson paid the amount thereof to the Mingo County Bank, which in turn paid it to the McDowell County Bank, where it was deposited to the credit of the person calling himself Geo. Horner, who afterwards withdrew it from the bank. Later, the forgery was discovered, the money was replaced to the credit of Young upon his demand, and a demand was made upon the defendant bank for reimbursement. The person who collected the check from the defendant bank was wholly unknown to the officers and agents of the bank, and they required from him no identification. No inquiry was made as to who he was.

No recovery was allowed by the drawee bank; and it was held: In taking a forged check from an unknown person, for collection, without inquiry as to his identity, and forwarding it for collection, after having taken the endorsement thereon of the reputed payee and placed its own unrestricted endorsement on the same, a bank omits a precautionary duty which the law merchant devolves upon it for the protection of the drawee, and makes a warranty of the genuineness of the signature of the payee, which it cannot afterwards deny; wherefore, it is liable to the drawee for the money paid on the check by the latter in ignorance of the forgery, unless the latter, by omitting some duty resting upon it, likewise is in fault.

If in such case both parties have been guilty of negligence, the drawee in failure to have in its possession any means of testing the genuineness of the signature of the drawer, and the paying bank in failing to have the payee identified, when he is unknown, the former cannot recover of the latter.

The exhaustive opinion of the court in this case was written by Judge Poffenbarger.

* * *

Pinkney vs. Kanawha Valley Bank (68 W. Va. 254) created considerable comment among the banking fraternity. Judge Miller delivered the opinion.

The bank received from Pinkney the check of Dent Brothers, endorsed by him, September 25th, about two o'clock P. M., and the letter enclosing it requested that it be placed to his credit. After being opened, the letter and check, along with other items, were laid aside by Dickinson, the cashier, for attention the following day. The next day, Dickinson, before forwarding the check for collection, phoned Champe, president of the Montgomery Bank upon which the check was drawn, to come to Charleston for consultation. Champe arrived about noon, saw Dickinson, who explained to him that his bank had this check of Dent Brothers for collection, and credit to Pinkney, but that he was unwilling to forward it to the Montgomery Bank, unless assured that that bank was in condition to send currency in payment. Champe professing to be ignorant about the actual condition of his bank, but expressing the opinion that it was all right and that the check would be paid, agreed to return to

(Continued on page 28)



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Building Up a Bank by Increasing its Deposits

The question undoubtedly uppermost in the minds of all progressive bankers to-day is how to build up a bank; or, more properly speaking, how to increase a bank's deposits? Probably these matters are associated more intimately with bankers in the extreme West, for the reason that the tide of immigration has been "Westward, ho!" for a number of years, the result being large increase in population in cities and rapid development of farm lands. With the immigrant comes the capitalist and the business man, all with available funds for investment; also many well-to-do farmers who have disposed of holdings in the East and Middle West and travel towards the Pacific Ocean, looking for new and cheaper lands to conquer. Practically all of the classes mentioned have more or less funds in some bank, and the problem, if your institution is to show gains, is how to reach the newcomer. It is true that occasionally a thoughtful man will call upon the banker with whom he has been doing business at home, advise him of his contemplated removal and ask for a letter of introduction to a banker located in the place where the thoughtful man expects to locate. Such cases, while not infrequent, are small in number compared with the very large number of families that have moved West in the past few years, and have made banking connections after their arrival at their new homes.

To give an idea of the interest taken in the Pacific Coast states, let me say that our institutions ordered an issue of ten thousand maps of California, showing in detail everything of interest to the general public, and on the reverse side of which was another map giving all the postoffices near Los Angeles and all the many suburban electric car lines radiating out of that city. An attractive advertisement was placed in one magazine, with a catchy headline: "Coming to California?"—suggesting that, if interested, the reader send for a map. In less than six months ten thousand requests were received from all over the world, and it became necessary within the past few days to order a new supply of this map. As the suburban electric lines out of Los Angeles have increased materially, the new edition will be more attractive and more interesting to those contemplating settling in the Southwest.

It having been demonstrated that Los Angeles is growing rapidly, and having a most optimistic view that this growth not only will continue but that the ratio will be increased materially by the great good resulting from the opening of the Panama Canal, it behooves all wide awake, intelligent and conservative bankers to take such action as may be necessary to secure a share of the new business rapidly drifting westward. It always has been my opinion that the greatest asset a bank can have is its "satisfied depositors." Now the question arises: "What is a satisfied depositor and how may we secure him?" From a study of the situation it would appear that a satisfied depositor is one who feels thoroughly at ease in his banking home and one who considers it a pleasure to have frequent business transactions with the officers and employees of the institution to such an extent that he is willing to recommend his bank to friends, relatives or business associates, and to urge them to place their funds in an institution he has found eminently satisfactory in every respect.

Personality is a great factor in business life,

Motley H. Flint, Vice-President of the Los Angeles Trust, tells Idaho bankers of a plan which has made good. Extreme west has problems of its own

and it absolutely is essential, in a well conducted institution, that each and every patron be treated with courtesy and cordiality. The officers always should be ready with a hearty handshake or a cheery smile, for it must be understood thoroughly that many a good account has been lost by a thoughtless word or a gruff answer to a question. It is a most difficult matter to be even-tempered at all times, but it absolutely is necessary that our tellers handle their customers in the most gracious manner possible and be ever ready with a word of greeting. One other essential detail in making satisfied depositors is prompt service, the impatience of the American public being so well known that it becomes vitally necessary that each and every request receive immediate attention and that lines at the tellers' windows be reduced to a minimum. Many a good account has been lost by an impatient depositor being required to wait in line at a teller's window, the idea suggesting itself to him that the bank is getting too large and does not place any value on his business. Without saying a word, his balance is withdrawn and the account transferred to an institution where more acceptable service is rendered.

Working in harmony with the theory that courteous treatment of customers absolutely is essential, western bankers should not overlook the fact that very frequently "a small account is of some account." Undoubtedly the correct method of conducting a bank is to figure the cost of each account; but, while the figures would show a loss on small accounts carried on the books, still it must be taken into consideration that in our western country the little fellow of to-day is not infrequently the big fellow of to-morrow, and a person with a small account may have many friends or relatives

in the East who are looking longingly westward, and are endeavoring to dispose of their holdings in order to follow Horace Greeley's advice. The result is that if your patron with a small account is a satisfied depositor he will some day in the future introduce his friend or relative at your bank and secure for you an account with a very satisfactory balance.

Proper advertising will bring results, but the advertising of to-day has become a science, and to secure results careful thought and study must be given to this very important feature in connection with bank publicity work. Thousands of dollars are wasted each year in souvenirs and improperly written or placed advertisements, whereas under proper supervision the money thus expended or wasted would bring excellent results. With the constant arrival of strangers and the ever changing and migratory population of the West, it would seem almost essential that the advantages of your bank should be placed properly before them and, while some of our very best bankers strongly criticize the bank advertising of to-day, still experience and statistics show very clearly that proper publicity on legitimate lines, handled under proper and correct supervision, can and will bring the bank excellent results. One thing is certain: the majority of the colonists, home seekers, business men or mechanics who intend to move from the East or Middle West ultimately will open accounts and you either must have their good will before they leave their old homes or get in touch with them immediately after their arrival in the far West, for the average man carries with him funds in the shape of exchange or sufficient cash to meet immediate travel necessities.

The question for you to decide: Are you getting your share of this new business and are your customers satisfied and working for the good of your institution? If not, perhaps a little inside work in the bank with your clerical force, a sufficient amount of good advertising persistently carried into effect, a jogging up of the officers, will result in increasing your business and deposits; and you also will have the pleasure of knowing that your depositors not only are satisfied but are your friends, and are making really, and in fact, a small account a good account.

SIDELIGHTS ON THE OHIO CONVENTION

A. W. Burnett, president of the Bankers Guaranty Title and Trust Company, Akron, was one of the live wires in attendance at the Ohio state bankers convention held at Cedar Point recently. This company, operating under a state charter, has capital and surplus of \$187,500, fully paid up, and is required to deposit \$50,000 with the state. Mr. Burnett and Lorenzo D. Brown, cashier of the First-Second National of Akron, were busy while in Cedar Point handing out literature and pamphlets descriptive of their respective institutions and cities in general.

One of the regular attendants at the meetings of the Ohio Bankers Association is C. D. Schaffner, cashier of the Marion County Banking Company, Marion, Ohio. This bank has capital and surplus of \$350,000 and deposits of \$557,000. Warren G. Harding, who nominated President Taft at the Chicago convention, is a director of this bank.

The First National of Lewistown, Mont., will erect a new bank building.

THE COAST LINE TO MACKINAC

DETROIT CLEVELAND BUFFALO NIAGARA FALLS TOLEDO PT. HURON GODERICH ALPENA ST. IGNACE

THE CHARMS OF SUMMER SEAS

Spend your vacation on the Great Lakes the most economical and enjoyable outing in America. Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay. A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers. Send 2 cent stamp for Illustrated Pamphlet and Great Lakes Map. Address: L. G. Lewis, G. P. A., Detroit, Mich. Philip H. McMillan, Pres. A. A. Schantz, Gen'l Mgr. Detroit & Cleveland Navigation Company

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 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Articles of incorporation have been filed for the establishment of a savings bank at Grand Mound; the name of the bank will be The Farmers and Merchants Savings Bank, and will be capitalized at \$20,000. The charter tenure is fifty years. Conrad Brick is to be president.

Des Moines, July 17.—Waterloo is about to join those Iowa cities which boast of a bank with a capital stock of \$400,000 or over. The Commercial National of that city has voted to increase the capital stock from \$200,000 to \$400,000 and the surplus from \$50,000 to \$100,000. The undivided profits will be increased to \$75,000 so that the bank will have practically \$600,000 working capital. This is a big move for the Commercial National and it has attracted much attention over the state. There are only three other Iowa banks with a larger capitalization than the Waterloo institution will have. Two are in Des Moines and one is at Davenport, while Sioux City has one of equal capitalization. Twelve years ago this Waterloo bank had a capital of \$50,000 and a surplus of \$10,000. These amounts were doubled in 1900. Three years later the bank increased its capital to \$200,000 and its surplus to \$50,000. In the meantime the bank had adopted the policy of soliciting deposits from banking houses in northeastern Iowa. This has proved of high value and the bank now has deposits of approximately \$2,500,000. The officers at present are: W. W. Miller, president; E. W. Miller, F. C. Platt and George E. Lichty, vice-presidents; H. C. Schultz, cashier, and H. W. Wente, assistant cashier. The increase in capital stock will take place on August first.

Waterloo Bank Acquires New Property

Another important bank deal is announced from Waterloo in the acquiring by the Leavitt and Johnson National of that city, for \$150,000, of the property adjoining that already owned by the institution. This deal gives the bank a frontage of 140 feet on Commercial Street and makes a splendid location for the permanent home which this institution expects to erect within the coming year or so. O. C. Miller, for fifty years a resident of Waterloo, was the principal seller and it is probable that he will remove from Iowa to the far West. The Leavitt and Johnson National is the oldest financial institution in Waterloo and is one of the strongest banks in Iowa. It now is possessed of much valuable real estate in Waterloo and in such locations that its market value is certain to increase.

Col. W. F. Baker Relieved of Pocketbook

Col. W. F. Baker of Council Bluffs, well known largely through his continued agitation for improved highways, was the recipient recently of a conscience pocketbook that convinces him that there still is honor among thieves. Col. Baker was "touched" for his pocketbook while trying to board a crowded street car. Within the purse were two one-dollar bills and a check for \$219, the latter endorsed and negotiable. Some days later he was surprised to receive the pocketbook through the mail. The dollar-bills were gone but the check had not been cashed. Apparently the thieves had considered it a risky undertaking to attempt to pass as Col. Baker, and

had made up their minds to be content with \$2.

Good Advice to Col. Roosevelt

Captain Albert Head, one of the well-known bankers of Jefferson, and rated a millionaire, is attracting some little attention in the Iowa newspapers from a telegram which he sent to Col. Theodore Roosevelt advising the latter not to be a candidate. The banker framed up his telegram like this: "Dear Colonel—Don't monkey with the third term buzz-saw. It will be more fatal than the third term and Wall Street steam roller at the Chicago convention. Remember Horace Greeley. Let your followers vote as they please. They belong to the class that knows how to govern themselves. I'll vote for Wilson and stay in the republican party. I will write fully later. Respectfully yours, Albert Head." Captain Head was once speaker of the Iowa house of representatives, and his son, M. M. Head of Jefferson, is tenth district member of the republican state central committee.

Tax Convention to Meet in Des Moines

Preparations are being made for the national tax convention which meets in Des Moines, September 3d, 4th and 5th. Governor Carroll is sending out invitations to the tax experts all over the country asking them to be present. There will be 151 accredited delegates, but the governor expects a great number of visitors who are interested in taxation problems.

Iowa Banking Notes

W. A. Cunningham has purchased the interest of E. G. and E. K. Ray in the Citizens Savings at Anamosa. E. K. Ray retires as cashier, and W. F. Hellberg, formerly assistant cashier, succeeds him.

H. A. Ahlers has been elected one of the vice-presidents of the Le Mars Savings at Le Mars.

J. C. Morrow, president of the First National at Washington, Kan., died last week at his home in that city. He is a brother of W. W. Morrow, state treasurer for Iowa, and the latter attended the funeral. Both the decedent and the state treasurer are well known in Iowa and especially in Iowa financial circles.

H. S. Abbott has disposed of his interest in the Milford National at Milford, of which he has been cashier for seven years, to E. L. Ewen. He probably will remove to California. Mr. Ewen was chosen assistant cashier of the bank while F. A. Heldridge was chosen cashier. He formerly was assistant cashier.

Arthur Reynolds, president of the Des Moines National, has gone to New York to confer with the members of the executive council of the A. B. A. This is the meeting at which plans for the national convention at Detroit are being formulated.

Pictures of the late C. J. A. Ericson, the well-known Boone banker, have been presented to the Ericson Library by his daughter, Miss Rena. The City Bank, of which Ericson was president, also was given one of the pictures, and other institutions in which the deceased was interested were remembered.

The state treasury likely is to be increased some \$50,000 from the estates of the late O. H. Perkins of Des Moines and the Hanley Brothers of Granger. Both estates go to collateral heirs, and the state will get a collateral inheritance tax that will be one of the largest received in months.

"The Central State" is to be the name of a new bank at State Center. State Center is said to be the center of Iowa, and the bank in selecting its title chose a name that seems characteristic of its surroundings.

The Elkader State has reorganized and filed articles with the secretary of state, giving capital stock of \$30,000.

The Melbourne Savings has increased its capital stock from \$11,000 to \$16,000.

The State Bank of Jewell has filed articles with the secretary of state. The capital stock is \$25,000. The incorporators include W. E. Anderson, G. T. Chamberlain, J. C. Hansen, Gilbert Knudsen, E. W. Knudsen and Carl Miller.

Dr. W. N. McNaughton, whose recent death occurred at Villisca, left an estate of \$300,000 to be divided among his wife and two daughters. Some of the property consisted of bank stock, but the major part was real estate.

The State Bank of Laurens has renewed its articles, giving capital stock of \$50,000.

George T. Keeler, assistant cashier of the Farmers and Merchants at Mount Pleasant, has resigned to become cashier of the Ravenswood National at Chicago. Mr. Keeler has many Iowa friends who will rejoice in his promotion.

Charles N. Voss, the well-known Davenport banker, has been granted a two-months' vacation with all expenses paid by the directors of the German Savings. This is in appreciation of the splendid efforts which Mr. Voss has made in improvement of the institution, which is regarded as one of the best and most popular in Iowa.

The Citizens Savings is the name of a new bank at Oakland. The articles as filed with the secretary of state give the capital stock at \$30,000. The officers are W. H. Freeman, president; L. F. Potter, vice-president; W. W. McRory, cashier; F. A. Nash and J. Q. McPherrin, additional directors.

The Citizens Savings of Riverside filed articles with the secretary of state giving capital stock of \$15,000. The president is Frank Critz; vice-president, Anthony Yeggy; cashier, Leo C. Critz. Additional directors include Richard Helzman and John Knittell.

The Huxley Savings at Huxley has voted to increase its capital stock from \$10,000 to \$15,000. The name of the institution will be changed to the above from the Farmers Savings, by which title it has been known in the past.

The Farmers Savings at Massena is occupying quarters in the postoffice building while its new structure is being completed. The new building will be a credit to the town, and to the bank which is to call it home.

Cashier O. E. Wesenberg of the State Savings at Corwith has resigned to become connected with the Armstrong Manufacturing Company, at Waterloo.

The stockholders of the Farmers Bank at Rockwell are preparing to organize the First National of that town. The officers of the former also will be in charge of the new institution.

The Citizens State at New Sharon has made some handsome improvements in its interior and has been decorated nicely and painted.

The Farmers and Merchants and the Gravity State are vying with each other in the matter of improvements. Both are making extensive changes in the structures which they occupy.

An outing at Linwood the last of the month is being arranged for by the local bankers, the party to leave Davenport by steamer in the afternoon following the close of business. A ball game and dinner will be the feature of the outing. The arrangements for the event are in charge of a committee of which George Hamann of the Scott County Savings Bank is chairman.

Announcement has been made that on August 1st the capital stock of the Commercial National Bank of the city of Waterloo will be increased from \$200,000 to \$400,000. The surplus will be increased from \$50,000 to \$100,000. The Commercial carries deposits of nearly two and one-half millions. This is the third time in twelve years that the Commercial National has felt the necessity of doubling its capital stock in order to take care of increasing business.

Big Land Deal in Cherokee

One of the largest land deals ever made in Cherokee county was closed recently when Robert Gracey, director and principal stockholder in the First State at Holstein, disposed of his 400 acres of land in Marcus township. The purchasers are F. W. Cave and Emanuel Pierce. Mr. Cave took 160 acres unimproved at \$162.60 per acre. Mr. Pierce got 80 acres, unimproved, at \$162.50 and 160 acres with improvements, at \$206.25 per acre. That makes a total of \$72,000 for the 400 acres. The land all is classed with the best in the county and no doubt soon will be worth more money. Mr. Gracey still owns 640 acres of Cherokee county soil.

Sioux City

By JOHN J. BIDDISON

An important ruling by Circuit Judge W. G. Rice, at Deadwood, S. D., probably will result in escape from punishment on the part of the officials of the defunct Meade County Bank of Sturgis, S. D., a possibility had the case come to trial. The judge has held the law under which they were indicted to be unconstitutional, by reason of the fact that the legislature, in passing it, slipped a criminal clause into a civil law, without indicating it in the title of the bill. The indictments were found to be adequate, but the court considered the flaw in the passage of the bill sufficient to invalidate it, and the demurrer of the defendants was sustained. The bank now is in the hands of the state examiner, undergoing liquidation.

Had King Midas lived in Iowa and traded in Iowa farms he might have had more excuse for his fame, as well as enjoyed the privilege of eating something beside gold. John McCarley, a Williams, Ia., banker probably was not granted any "wish" by a fairy; but if he was, there is no danger of his wanting it taken away, for he has been coining money hand over fist, just by buying and selling farm lands.

Mr. McCarley is president of the First National. About a year ago he bought a quarter

section of land, which he lately sold at an advance of \$35 an acre. Another section purchased about the same time has been sold at an advance of \$40 an acre, while still another piece netted the cozy profit of \$55 an acre. These three farms, therefore, have turned in a profit in a year of \$20,000 and better.

Another piece near Williams, not handled by Mr. McCarley, has been turned four times within a month, each time at an advance over the preceding sale of \$10 an acre.

The suicide of R. H. Williams, cashier of the State Bank of South Shore, S. D., has brought to light a shortage of \$500 in his accounts. He had been connected with a grain elevator in the town, in which was stored \$14,000 worth of grain owned by farmers of the section. He disposed of the grain and used some of it to speculate on the board of trade, losing heavily. He drew on a grain firm for \$500 and placed the draft in his bank to the credit of the farmers. When he could not make good on the draft and faced exposure, he chose the suicide route. Telling his wife he was going out to shoot a weasel, he took a rifle to his chicken house and shot himself, dying soon after. Williams was an Englishman and had been in this country only a year. He was sent by his family because of his eccentricities, but had lived uprightly, it was supposed, until the time of his defalcation.

Caught with the goods and desiring to plead guilty, Frank Williams, known as "Dakota George," has been turned over to the federal authorities by the police of Huron, S. D., and will be lodged in Sioux Falls until September. Williams is wanted by the Burns agency for the blowing of a safe in a bank at Emmetsburg, Ia., as well as for several other robberies.

M. W. Fity, president of the Farmers Savings Bank of Manson, Ia., his wife and his son and several others, have departed to spend three months in Europe.

Excavation is in progress for the new building of the First National Bank of Carroll, Ia.

Plans are being prepared for a new building for the Magnet State Bank, of Magnet, Nebraska.

L. A. McMurray, president of the Hamilton County State Bank, of Webster City, has been elected president of the Ellsworth State Bank, of Ellsworth, Ia., succeeding the late M. H. Brinton.

Among the Visiting Bankers

C. H. Cassill, former treasurer of South Dakota, and a former banker at Canton, S. D., now a resident of Spokane, Wash., was in Sioux City Wednesday.

F. S. Strohbehn, cashier of the First State Bank, Wagner, S. D., was in Sioux City Thursday.

Oluf Johnson, cashier of the First National of Elk Point, S. D., was in Sioux City Friday.

S. S. Davenport, cashier of the Citizens Savings, Lester, Iowa, called on his friend, John J. Large, at the First National Friday.

A. D. Horton and wife of Hawarden, were in the city Monday. Mr. Horton is cashier of the First National.

H. C. Graff, cashier of the Exchange Bank of Granville, Iowa, was in Sioux City Monday. Mr. Graff was just leaving for his vacation.

Three directors of the Southeast-Missouri Trust Company, at Cape Girardeau, have died within the past few days.

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SOME OF THE NEWER COURT DECISIONS AFFECTING BANKS

(Continued from page 24)

Montgomery, make an investigation and telephone Dickinson. About nine o'clock that evening he did telephone Dickinson the message, "O. K.," meaning, as arranged, that he had found his bank could and would send the money for the check. Dickinson, having held the check all that day, on receipt of this message, at once enclosed it and a letter of advice, printed form, in an envelope addressed to the drawee bank at Montgomery, and shortly afterwards deposited it in the post-office at Charleston. The printed form of this letter said: "We enclose for credit," but plainly written below, the letter said: "Kindly ship us currency for above on No. 3," meaning No. 3. C. & O. train arriving at Charleston about noon. At the same time Dickinson wrote Pinkney on a printed form, advising him of the receipt of the check and saying: "Your favor of the 25th inst. with stated inclosure received. We credit your account, \$2,500. Thank you. . . . Foreign items credited subject to payment." The letter to the bank reached Montgomery by the mail leaving Charleston about 3 A. M. of the morning of September 27th, and was actually delivered to the bank at the opening of the bank that morning. The check was not otherwise presented for payment to the bank that day. The money was not sent as requested by defendant's letter of advice, but instead was debited some time that day to Dent Brothers and credited to the Kanawha Valley Bank. Champe was at the bank that morning when the bank opened, saw the check, was there several times afterwards during the day to see if a deposit which Sims, a director, had gone after, and out of which it was intended to pay this Dent Brothers check, had arrived, the last time about twelve o'clock M., and the deposit not arriving, he returned to Charleston, reaching there about 2 o'clock P. M., explained to Dickinson the condition of the bank, and why the money had not been sent, consulted counsel, and as a result, on application a receiver of the bank was appointed and the bank closed. The defendant bank that evening sent an attorney to Montgomery to try and get the Dent Brothers check. On arriving he went to the bank, made demand for the check with a view of making demand for payment, and if not

paid to have it protested. But Coleman, in charge of the bank, refused his demand, giving some reason, probably that it had passed through the books, or had been charged to Dent Brothers and credited to the defendant. At all events the check was not recovered, protested or returned to Pinkney, but, after the receiver was appointed, was returned to Dent Brothers as a paid and cancelled check. The next day, the 28th, Dickinson wrote Pinkney, also Dent Brothers, at Montgomery, advising them that the check had been duly presented, payment demanded and refused, of which he had been advised that morning, and to do what they might think necessary to protect their interests.

Held: It is negligence for a collecting bank to send checks direct to a drawee bank. The drawee bank who is to pay the check is not a suitable agent for its collection, and the fact that the drawee bank is the only one at the place where it is located constitutes no exception to the rule.

The qualification of the general two-day rule, allowed for forwarding paper for presentment is, that if there be more than one mail on the second day it need not go by the first, but, if there be but one, it must go by it unless it leaves or closes at an unreasonably early hour. The whole of the second day is not allowed, unless the last mail of that day goes at the close of business.

A collecting bank, knowing of the depressed financial condition of the debtor, is delinquent in its duty if it neglects to inform its customer of such vital condition, and fails to take vigorous measures under the circumstances to secure payment, and if loss occurs by its negligence to exercise. That degree of skill, care and diligence which the nature of its undertaking calls for, with reference to the time, place and circumstances surrounding the undertaking, it will incur liability to its principal for the loss sustained.

Interesting cases recently decided in other jurisdictions may be briefly noted.

In Richardson vs. Cheney (146 N. Y. App. Div. 686), a bank discounted notes for the plaintiff and took from him as collateral security a check for \$2,000 and charged his account with \$2,000. The bank suspended; the notes were duly paid; the plaintiff sued to recover the \$2,000 left as collateral security, but the court held he must share as a general creditor.

In Slein vs. Empire Trust Company (133 N. Y. Supp. 517), it was held when a forged check is deposited, the bank may charge back to the depositor's account the amount of the check, just like any other check which is returned unpaid for any other reason.

Notice of dishonor by telephone has been held good in Bank vs. Fertilizer Company (143 S. W. Rep. 597; Tenn.), but it must be given direct to the party bound or his agent. It is not sufficient to simply talk to a clerk or other employee of such person, without inquiring his name or relation to such person.

A hard case from the standpoint of the bank was Russell vs. First National Bank (56 South 868), decided by the appellate court of Alabama, wherein it was held that the signature to a deed signed by a man other than the owner of the property but bearing the same name was a forgery, and that his endorsement of the check erroneously given him in payment thereof was likewise a forgery, and that the bank was liable to the drawer of the check. In that case it would seem the purchaser of the property was at fault in not properly identifying its owner rather than the bank which was not a party to that mistake.

An Arkansas case (Commission Company vs. Bank, 140 Southwestern 992) holds that when a bank accepts the check of a depositor, it is liable for the amount thereof, without reference to the state of the drawer's account. Furthermore, in an Oklahoma case it is held (Bank vs. School District, 120 Pacific 614) that no obligation attaches to the drawer of a check until same is accepted and the check is revocable until presented and paid. In a recent case in Maryland (Mfg. Co. vs. Bank, 81 Atlantic 294), a draft accepted by a bank from a depositor, and discounted, was held as the property of the bank as against the depositor's creditors.

Two New York cases decided this year (Shattuck vs. Guardian Trust Company, and National Park Bank vs. Koehler) both were decided against the bank by the highest court of the state. The former involved the forgery of one of two necessary signatures to a check, and the latter an extension of time for payment beyond maturity without the consent of the endorser.

The provisions of the negotiable instruments act do not apply to negotiable instruments made and delivered before its passage and it has been held in a New Jersey case (Concluded on page 29)

PLANS AND PURPOSES OF AMERICAN HIGHWAY IMPROVEMENT ASSOCIATION

(Continued from page 19)

bad the average school attendance shows 59 out of each 100 pupils enrolled, and that in five states having uniformly good roads, 78 out of each 100 pupils enrolled regularly attended school. This means that of each 100 children 19 more were being educated in the good roads states than in the bad roads states, or 19,000 out of each 100,000 children. You can easily verify these facts by observing the schools in your own community, and instituting a comparison between those on the good roads and those on the bad roads. Consider further the well-known fact that from those desolate regions which are cut off from communication with the outside world because of bad roads the boys and girls are moving to the city where the struggle for existence is keener, and where the physical and moral influence tends rather to deteriorate than to build up the standard of manhood and womanhood. To-day 47 out of every 100 people in this country live in cities of 2,500 inhabitants or more. Good roads would check the trend of the population to the cities and would constitute a strong invitation to the city dwellers to remove to the country, and thus bring about a better balance in population and production.

I have traced the good roads movement, and have assured you that it is now well organized, and on a sound basis; I have pointed out to you some of the reasons why it merits your support. The question now arises as to what steps should be taken to bring about an improvement in these adverse conditions. The purposes and objects of the American Association for Highway Improvement are capable of accomplishment, and they have intrinsic merit. It is a self-evident fact that the thousands of influential citizens working as a unit can accomplish infinitely more than these citizens could by working separately. Hence it follows that if the question is of sufficient importance, if the purposes of the association are practical and meritorious, tangible results must follow. The culmination of this year's work will be had in the great American Road Congress to be held at Atlantic City September 30th to October 5th. President Taft and Governor Wilson will be there, and all of the forces now striving for good roads will be represented. I earnestly trust that the Bankers Association of West Virginia will be represented by a large and enthusiastic delegation.

SON BORN TO INDIANA BANKER

A stork postcard from Mr. and Mrs. W. F. Huthsteiner of Tell City, Indiana, announces the arrival of a son and heir, weight eight pounds. Mr. Huthsteiner is the cashier of the Tell City National, and he and his wife are regular attendants at group, state and national bankers' conventions. THE CHICAGO BANKER extends congratulations on behalf of his many banking acquaintances.

SOME OF THE NEWER COURT DECISIONS AFFECTING BANKS

(Continued from page 28)

(Mackintosh vs. Gibbs, 81 N. J. 577) that the negotiability of such a note, even if it fell due after the act took effect, must be determined by the prior law.

There are a number of cases pending under the uniform law in this state in which final decisions have not yet been reached.

I take it that all will agree that the adoption of the negotiable instruments act by the legislature of a large number of states has had the effect not only of bringing about greater uniformity, but in making more plain, certain and general the controlling rules of

law on this subject. The design of the act was to obliterate state lines as to the law governing instrumentalities so essential to the conduct of interstate commerce as checks, promissory notes and bills of exchange, to remove confusion and uncertainty which might arise from conflict of statutes or judicial decisions in the various states, and to codify the law relating to negotiable instruments and to make it certain, clear and uniform throughout the country. While it does not cover the whole field it is decisive of all matters comprehended within its terms. Its words are given their natural and common meaning under the prevailing principles of statutory interpretation. The decisions of the courts of any state where the act is in effect are given great weight and respect by those of the other states that have adopted it, so that in time general harmony and clearness will be attained in the interpretation of commercial law.

The ultimate effect of this legislation will be less litigation and its attendant delay and greater certainty and security in the transaction of your highly important business, so essential to the successful conduct of every other business.

NORTHWEST CROP CONDITIONS GOOD

The Northwestern National letter on the Northwest crop conditions as reported at Minneapolis says: "Reports of the crop situation throughout the Northwest generally continue favorable. After two years of diminished moisture in many localities it seemed that the spring was sufficiently wet to restore the ground to a normal condition. Despite this fact the rains of the past two weeks, which have been unusually satisfactory in volume and distribution, were hailed with delight by the farmers. Although such a bountiful supply of moisture was not perhaps an absolute necessity at this time, the condition of the crops generally has been greatly improved by the rainfall, and a reserve supply of moisture is in the earth which puts still further into the future the possibility of a serious drought."

SEASON'S NEW BOOKS

One of the season's most attractive new books is a love story entitled "Rosemary for Remembrance," by Helen Sherman Griffith. The book comes from the Penn Publishing Company. It is illustrated, and has a beautiful cover in colors. The tale is one of two families separated by a difference which had not been adjusted, attempting to keep separate and apart a beautiful young woman, and an eligible young bachelor, who are deperately in love with each other. Perhaps the most engaging character is "Grandma," a fine old lady who is the good genius of her own family, and of most of those who live in the town and vicinity. David Hollister meets Rosemary at sunrise one spring morning with the natural result. Rosemary's mother sides with the young couple, but her father remains obdurate, which gives rise to a great number of interesting episodes and contributes to the well-known legend that "true love never runs smoothly." Finally the mother makes a superb sacrifice, becomes the heroine of the neighborhood, and the young couple are united. For sale at all booksellers at \$1.20 net.

From the Penn Publishing Company also comes a beautiful little book entitled, "Grandma," devoted to the life, character, and deeds of one of those sweet, mild-mannered old ladies of whom everybody has had some knowledge during his lifetime. It has to do with Sunday schools, neighborhood events, sewing circles, and the small social pastimes of the neigh-

borhood. For gift purposes to just such a grandmother as is described, or to anyone having such a relative or acquaintance, this little book will come as a treat.

INDIANA STATE BANK LEASES QUARTERS

The Indiana State Bank, which has had a tentative existence for several weeks, and which will be incorporated before long, has leased the quarters of the Continental National Bank, 18 Meridian street, Indianapolis, and will occupy the same some time before Oct. 1. The Continental National is to remove to the quarters of the old Capital National in the Commercial Club building. The Indiana State Bank will be capitalized at \$1,000,000 and will have a surplus of \$200,000. It is reported that more than \$400,000 of its stock has been subscribed.

A number of provincial bankers in Indiana will hold stock in this new institution. While no definite statement has been issued as to the officers of the Indiana State Bank, it is generally understood that Francis I. Galbreth, of Sunman, Ind., and Fremont Goodwine, of Indianapolis, will be vice-presidents, former Attorney General James Bingham will act as attorney-general, and F. L. Murray, who represents Swift & Co., will be on the board. The proposed bank expects to begin business with something like \$1,500,000 in deposits. A number of state banks at various points in Indiana are said to have pledged the new bank their backing.

NORTHERN BANK INCREASES CAPITAL

Astoria, Cal.—The Scandinavian-American Savings Bank has increased its capital stock from \$50,000 to \$75,000. Plans for a new building have been approved, and a contract awarded to Palmberg & Mattson for the construction.

BANK ASKS BUILDING BIDS

Bellingham, Wash.—The Bellingham National Bank will call for bids for the construction of a five or six-story building at corner of Dock and Holly streets. Plans call for a building of reinforced concrete with brick and cut stone facings.

BRANCH BANK TO BE ESTABLISHED

Sacramento, Cal.—The Sacramento Bank is planning to open a branch in the Sacramento Hotel building at Tenth and K streets.

BANK TO HAVE NEW BUILDING

Los Angeles, Cal.—T. Beverley Kelm, Jr. & Co., are preparing plans for a bank and office building to be erected at Whittier for Whittier Savings Bank.

BANK BURGLARS CAPTURED

Dan Carney, a famous bank burglar, has been captured at Denver, Colo. His arrest was effected through the protective department of the Kansas Bankers Association.

NEW PRESIDENT FOR CINCINNATI BANK

Frank L. Cook, cashier of the Milford (Ohio) National Bank, has accepted the vice-presidency of the reorganized Second National of Cincinnati.

Cincinnati ranks first of all cities of the country in application for postal savings banks.

The First State Bank of Livingstone, Madison county, Ill., has been chartered by the state auditor. The capital stock is \$25,000, and the incorporators are D. E. Aylward, J. W. Busker, and F. C. Vogt.

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FOR SALE

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$5,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

r-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

r-A Graflex, I.C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9½ inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

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All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER, 407 Monadnock Building, Chicago.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

8th an organization meeting will be held at the Waldorf-Astoria.

RESERVATIONS can be made through George B. Caldwell at the Continental and Commercial Trust, or direct, through George Thompson, general agent of the Lake Shore line, Chicago.

THERE should be a good attendance, since prompt and intelligent support will make the movement a success from the start. The A. B. A. will take notice, all right. The Big Council is too wise to pass up a demonstrated good thing.

ALL legitimate bond and investment houses are invited to send a "delegate." Had the term not been politically abused the "new life" fellows—Caldwell, Bowman, Hayden, etc.—might be called the progressives. They're hummers, all right!

SECRETARY F. R. FENTON says that "from the large number of responses received from bond houses and banks with bond departments all over the country, it is thought that the meeting will be a very interesting one and well attended, and that the new association which will be formed at that time will start out with a very representative membership."

ADVOCATES of the new association are very anxious to have co-operation in this effort to form a high-grade organization, which will have for its purpose the betterment of the investment banking business. The first two hundred and fifty applications will, when accepted, be classified as charter members. Now is the time to get in line!

JEFFRIES & CO., private bankers, send out a circular letter saying, "the officers ('of the larger banks') cannot give the attention to you which you might expect, even were they inclined to do so."

THE words in black face type are basely insinuating and an offense to all officers in the big clearing house banks. The "carpet" ought to be spread for such persons, and their clearing bank and the clearing house should purge their list of all such ungrateful beneficiaries who seek to profit by creating public prejudice against legitimate banks. There are persons, no doubt, who will believe such rot to be true.

TWENTY-THIRD session of the Trans-Mississippi Commercial Congress will be held in Salt Lake August 27th-30th this year.

THE last meeting was held at Kansas City last year, where Messrs. Aldrich, Reynolds and Laughlin and President Fuqua of the Texas Bankers Association all spoke on the currency question. It also will be discussed at Salt Lake.

ARTHUR C. TRUMBO of Muskogee, Okla., is president. Both as a banker and as presiding officer he urges all bankers to attend. There is no organization of like character that has done so much for the western states in the securing of necessary legislation and appropriations from our federal congress for western projects. Discussions are open to all those who feel a deep interest in western development, and the congress is not under the control of any individual or any interests. It absolutely is living up to that progressive motto "The free forum of the West."

GOVERNORS can appoint delegates, and state and national officials, including congressmen and senators, are members ex-officio.

THE Colonel has substituted "Thou shall not steal" for his tariff reform plank, but most of us think the high tariff itself is a steal?

WHEN it's ninety in the shade and the crossing policeman is buttoned clear up to the chin is he a copper boiler?

AND, what's more, the Finns didn't win a single swimming event at Stockholm.

IF La Follette keeps after T. R., wanting to know where he got his pre-convention money and what he did with it, a Third Party issue will be formed. Look over the Colonel's whole career and see if anything he has said or done entitles him to rank with the Wisconsin Progressive?

HERE'S a La Follette plank from the Wisconsin state constitution:

Every person is entitled to a certain remedy in the law for all injuries or wrongs which he may receive in his person, property or character; he ought to obtain justice freely and without being obliged to purchase it; completely and without denial, promptly and without delay, conformably to the laws.

THAT plank is 'way over the head of the Bull Moose.

MISSOURI association has increased its bonding business materially by shifting its agency to a local company at St. Louis. The ousted company has been cutting rates and talking nasty but "you all" know Keyser?

WARNING NOTICE! (Double extry.) E. J. Bowman of Anaconda and W. D. Vincent of Spokane are to stop over in Chicago on their way to the big meet at Detroit. Both are members of council and are Chapman boomers for 1913.

WOODROW WILSON said the other day when asked about the inelasticity of the currency: "My dear sir, inaccessibility would be a better understood term."

CASHIER.

CLERKS IMPRISONED IN VAULT

A somewhat amusing incident, involving the enforced imprisonment of two clerks in the strongroom of the Boheman Bank of Prague, occurred the other day.

While the clerks were engaged in detaching coupons from bonds the manager was showing the strongroom and the mechanism of the armor plated door to the director of a provincial bank, and inadvertently locked the door upon them. A few minutes later the manager tried to open it, but could not. Locksmiths were called in, and though they worked hard the whole day they failed to unlock the door.

The Berlin firm who constructed the strongroom sent some mechanics by express train to Prague, but their endeavors were likewise in vain. It was only after thirty hours of toil and search that the spring was discovered, the door opened, and the two prisoners were released. During their imprisonment they had been fed with milk supplied through an India rubber tube slipped through an airhole.

YE EDITOR, J. HARRY ASHLEY

The past week saw an editorial change in "The Bank Man," official paper of the Chicago Chapter, A. I. B. For the past year, Joseph J. Schroeder of the National Bank of the Republic has wielded the brush and scissors at the head of the table. He has been succeeded, as a part of the new administration by J. Harry Ashley, who has done faithful work on the committee the past year. Mr. Schroeder advises "more personals" as the only thing that gives real "life" to the paper.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

tion? Oh, yes. They're getting in training to put quarter back Ingwersen in the president's chair at Des Moines next year.

SUPPOSE Arthur Reynolds is promoted at Detroit? Ah, there, you vacancy!

BY the way, Mr. Reynolds has just returned from New York where he went to attend a meeting of the committee on administration. The new offices were opened and New York bankers called by the score. Then the Carolina bankers, on tour, happened to be in town and they all came in, so Col. Fred was a busy man for a while.

THE embarrassment of a large national bank in one of the reserve cities of the state of Ohio, and the subsequent taking over of the assets of the institution by the Clearing House Association of the city, is another illustration of the usefulness of that institution.

MOREOVER, it is another excellent example of the spirit which dominates the organization uniting the banking resources of any particular community in time of trouble. Time and time again have mild panics been averted, stringency been relieved, and weak though solvent institutions assisted, though the instrumentality of the clearing house organization.

TO read the questions of the Pujo committee one would suppose clearing houses had anything else than the public good for a governing motive. The history of the Chicago Clearing House is the history of all.

ALWAYS they are governed by the very leading bankers of the town or city. They are the chiefest of all the stop-loss institutions of the country. They prevent bank failures in a hundred other less conspicuous ways than by taking over assets. That is a last resort.

TIME will come when the public will appreciate the work done by these volunteer associations in completing what the banking laws have left off in the way of safety-provisions.

PERHAPS the new law, when we get one, will leave them less to do. In the meantime they are the life insurance of our credit and banking system.

MR. WILSON owes his nomination to the fight that T. R. made here, and the fight that Bryan made at Baltimore; that is conceded even by such tory journals as the New York Times. Wilson was rammed down the throats of the majority to head off Roosevelt. Ergo, (1) the democratic party as a whole is progressive, and (2) a progressive republican ought to vote for Wilson.—Chicago Tribune.

"THE CHICAGO OF TO-MORROW" articles in the S. W. Strauss & Co. magazine, should be printed in booklet form—pictures and all. Nothing better in type.

WHEN a teacher asked a class to define elocution, a little girl said it was the way some states put people to death.—George E. Nolan.

NEW ORLEANS clearing house is the latest convert to the Chicago plan of maintaining a special examiner. A little touch of trouble makes quick converts to the modern, scientific method of self-protection.

GEN. J. W. WHITING has resigned the presidency of the Peoples Bank of Mobile after many years of faithful service. Vice-President J. W. Little was promoted to the position. Gen. Whiting is one of the most interesting of men. To him fell the lot (during the late unpleasantness) of defending Mobile Bay against the forces under Admiral Faragut. The general tells the story well and modestly.

Of course, if the Detroit hotel reservations are not to be available until Sunday the big Chicago special will be changed from Saturday to one day later.

H. N. TINKER is the president of the new First Trust of Portland. He has had banking experience in St. Louis and Houston.

A PORTLAND banker writes that "the wreck of the Oregon Trust and Savings Bank was due to the fact that Louis J. Wilde, who helped float the Omaha Telephone Company, unloaded more than \$1,100,000 worth of this class of securities on the bank through Cashier Cooper Morris, who now is serving a term in the penitentiary for his part of the transaction."

SURE thing! Hasn't the comptroller been telling for years that of all plans for breaking a bank this is the surest and quickest?

JAMES O. MOORE, one of the assistants to John W. Wilson, clearing house examiner, has been elected cashier of the International Savings and Exchange of Los Angeles. He will be succeeded by Leo H. Martin, at present of St. Helena, Cal.

W. D. VINCENT has said that in his opinion the afternoon spent in the discussion of the "Back to the farm movement" was the most instructive part of the Washington convention. "Everyone was so interested in the subject," said Mr. Vincent, "that the entire convention remained in session until seven in the evening."

"HOW do you compare Pittsburgh 'Money' with Cleveland 'Finance'?" writes a correspondent. "Money" is just a little bit thicker than "Finance."

"MONEY" takes a rap at "Financial Age" anent its strictures upon "official organs." That was a narrow escape at Bedford Springs!

EVERY time we see the name of J. J. Sullivan of Ohio we think of our own old comrade-in-arms, Ezra D. Durham. For 'steven years or more they have been going upon the platform at the close of conventions, pinning on retiring and incoming badges, bestowing cups, gavels, etc., and emitting a line of talk with weeps in every paragraph.

SORT of social undertakers! Every state association has, or ought to have, their counterpart. They ease the suffering of the

departing and swell up the incoming with glowing predictions. May they be with us yet these many years.

WITHOUT such, many a vote of thanks never would be tendered, and many a comforting resolution never would be penned. You may smile at this, but their services have been real and disinterested.

DUDLEY E. WATERS, Grand Rapids, is the new member of the Big Council from Michigan. He is an ex-president of the state association and chairman of the board of the National City Bank.

JOSEPH SHATTUCK, JR., will go on from Massachusetts. He is a banker at Springfield.

WALTER H. BENNETT, retiring president of the state association, was elected from New York.

J. E. CLINTON, City National at Boise, is the new member from Idaho.

J. L. BELL will go on from North Dakota if—only a few more members are secured. Mr. Bell is a banker at Bismarck and is co-operating with H. P. Beckwith, present member from Fargo, to help put it over.

EVERY indication is that better and still better men are going on the Big Council yearly, and we give them just one more year to produce a scientific business program for conducting the affairs of the association justly and economically. No outside help should be required.

ROCK ISLAND is to haul the official train to Peoria convention. This promises, owing to the great work accomplished in the past year, to be the largest convention ever held by the Illinois bankers.

NEW YORK continues to recruit the ranks of her active vice-presidents from Chicago. Guaranty Trust has added to her list of Chicagoans by making William C. Potter, son of E. A. Potter, formerly president of the American Trust, a member of the official staff.

MARY ANTIN, the author of "The Promised Land," on being asked how she remembered so much about her childhood days, said: "People express wonder at the minuteness of my early recollections, not realizing how much they could recall of their own childhood if they tried. You never know what you know till you try to tell it. Teachers understand this. I made more discoveries while writing my book than in all the years of which it is a record."

MEREDITH NICHOLSON'S Atlantic Monthly article, "Should Smith Go to Church?" which has aroused an unusual amount of comment, will form a part of his volume of essays entitled, "The Provincial American, and Other Papers," which Houghton Mifflin Company will publish in the autumn. The book will have another essay entitled "Smith, the Tired Business Man."

"SCRAMBLED RESPONSIBILITY" is the title line of a long editorial in the Chicago Roosevelt organ on Wednesday. Readers were surprised, no doubt, that it was not a disclaimer for the manner in which the Third Party situation has been "scrambled" in Illinois. Can you beat it?

SHERMAN P. ALLEN, one of the White House secretaries, has been appointed in place of J. Piatt Andrew who "resigned" as assistant secretary of the treasury recently. Scat Piatt!

AUGUST 7th, at 2:30 P. M., the Investment Bankers Section boosters will foregather in Chicago for a trip to New York on the Twentieth Century Limited. On the
(Concluded on page 30)

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JULY 27, 1912

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Bank Supervision

A bank supervision plan to which it isn't believed that any private banker can object, has been drawn by the Dawes committee. The plan has been submitted to the members of the Illinois Bankers Association through its president, B. F. Harris of Champaign. Inasmuch as the committee on private bankers in the association has filed a remonstrance against using the association funds in promoting the supervision fight, the plan will be circulated on other funds. The committee says the private bankers do not wish to "help pay the expenses to put us out of business." All of the Chicago morning papers have endorsed the Dawes committee plan and editorially commend its fairness to all concerned. They have pledged support in passing such a law and the down-state papers have expressed a willingness to "join in." After all, the biggest kickers were the unexpected. They are the stock and bond houses which have thought to add to their prestige by calling themselves "bankers." The committee was much amused at their antics.

Incorporation of all the banks of a private character is the first step demanded, three years being given for the institutions to convert their assets into those that will comply with the law regulating state banks. Provision also is made that no banking business shall be done by concerns that fail thus to incorporate. A minimum capitalization of \$25,000 is fixed in the skeleton plans, special provisions being made for banks outside of Chicago. Private banks now existing are exempted for two years from publishing reports upon their condition.

Regulation of trust companies and of the use of the words "trust company" by business concerns and an exemption of loans made on personal property and real estate from the provisions governing the total amount that may be loaned to one person are other provisions of the skeleton plans.

Text of Report

The report to Mr. Harris follows:

"The committee appointed by you on May 1, 1912, to make suggestions regarding a bill providing for the supervision of all banks in the state of Illinois except national and otherwise to safeguard state banking, herewith submits its report:

"In this connection the committee desires to state that its members have been actuated by a desire to make such suggestions only which, if enacted into law, will cause the least possible injury or annoyance to the large group of conservative, safe and successful private bankers scattered over our state. It is unfortunate that, in order to safeguard the community from unscrupulous private bankers who, because of a lack of state laws providing for private bank supervision, have been enabled to misappropriate the savings of large numbers, it seems necessary to advocate a law which at best must put all honest and reputable private bankers to some inconvenience. It is no light thing to pass laws interfering radically with any class of long established financial institutions, not only because of the

(Continued on page 6)

"In" and "Out" at Milwaukee Convention



E. A. DOW
PLYMOUTH



J. T. JOYCE
EAU CLAIRE

Mr. Dow for many years president of the State Bank of Plymouth was elected president of the Wisconsin Bankers Association at the Milwaukee convention this week. He has been a patient, effective worker in the upbuilding of the organization and will pass no opportunity to advance its interests.

Mr. Joyce the retiring executive is vice-president of the Union National at Eau Claire. Considerable growth and largely increased efficiency mark his administration and set a rapid pace for Mr. Dow.

WISCONSIN BANKERS ELECT OFFICERS

The Wisconsin Bankers Association elected the following officers for the ensuing year: President, E. A. Dow, president of the State Bank of Plymouth; vice-presidents, H. A. Moehlenpah, cashier, Citizens State Bank, Clinton, and H. S. Flieth cashier National German-American Bank, Wausau; secretary, George D. Bartlett. The four members of the executive council elected to fill the places of those whose terms expired are: E. A. Reddeman, assistant cashier, Germania National Bank, Milwaukee; Gardner P. Stickney, vice-president, Wisconsin Trust Company, Milwaukee; F. W. Humphrey, cashier, First National Bank, Shawano; and C. R. Thomson, cashier, First National Bank, Richland Center.

POSTPONE DEPOSIT INSURANCE PLAN

The problem of establishing a mutual insurance company among the bankers of Wisconsin for the purpose of insuring bank deposits proved too big a one to handle at this week's annual convention of the Wisconsin Bankers Association. After consuming all of Wednesday afternoon and part of Thursday morning in discussion of the committee's re-

port, the members unanimously voted to refer it back to the committee and the executive council for further alterations and later to take final action at a special meeting of the association. Principal objections to the committee's plan in its present form were that it insured only half the deposits of any bank subscribing to its benefits, and that while its acceptance might be nominally optional, competition would make it practically compulsory. T. R. Frenz, Oshkosh, brought out a storm of protest by advocating compulsory guarantee of bank deposits furnished by the state or national government, the sentiment crystallizing on Thursday morning in a resolution in which the association went on record as opposing any such form of compulsory guarantee.

GEORGE D. BARTLETT PRESENTED WITH TOURING CAR

As a mark of appreciation for the efficient service rendered the Wisconsin Bankers Association by its secretary, George D. Bartlett, the membership presented him with a seven-passenger Kissel touring car.

H. B. Smith, president of the Peoples National of Monmouth, Ill., has returned from an extended western trip.

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United States
Depositary

Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
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We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

SO the Wisconsin bankers have presented their secretary with a brand new touring car? We know of one or two whom the membership would like to hand a one-way ticket to the other end of the road.

REALLY, Bartlett has been a find for Wisconsin! He organized their group system, put in the insurance plan, and proved to be an expert in legislation. Then, too, the office hasn't panned out as it ought for a man of his size. The touring car will keep him content.

WHAT Mortimer I. gets out of the deal is—?

FIRST NATIONAL, Milwaukee, kept open house for the visitors at the Wisconsin convention with all-the-comforts-of-home at Room 7, the Pfister. The stenographer was quite as obliging as she was handsome.

WISCONSIN in 1903 had 238 members and now has 735. There are seven groups in the state and they have developed the group idea to a very profitable and satisfactory basis. The attendance is above the average.

BARTLETT says that "owing to the fact that our association has during the past year become interested in agricultural developments and other subjects outside the usual banking lines, the people of Wisconsin are becoming more interested in our organization, and I am confident that with continued cooperation and interest in educational work, our association will soon be recognized as in the forefront of every movement having for its end the upbuilding of our state."

THE insurance department has not shown any recent gains but the purchasing department did a business of \$52,000 on a 10 per cent discount basis.

MANY students of the game believe this to be an improper field and that the banks should patronize their own customers in their own towns for their supplies. Bartlett doesn't handle clothing and haberdashery, but don't be surprised. The list is a long one.

EX-PRESIDENT J. P. HINTON of Missouri, who wrote the best article on "Proper Functions of a Bankers Association," condemned this descent to trivialities as beneath a well conducted, high-minded state organization. That is presupposing it to be for profit to the association and not a secretarial enterprise.

CONTRARY to general thought the Wisconsin Banker is not an official organ and goes only to those who subscribe and pay for it. It does an advertising business with those who benefit by the purchasing department. To settle this question finally Secretary Bartlett publishes the following disclaimer:

"ALTHOUGH the Wisconsin Bankers Association is in no way financially interested in the publication of the 'Wisconsin Banker' its publication and circulation by M. I. Stevens has seemed to meet with commen-

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

dation from those members of our association who are subscribers therefor. Mr. Stevens is certainly entitled to the thanks of our association for the free use of his columns for such articles as our association or its officers may desire to publish."

AFTER winding up his contract with several newspapers to write special feature stories of the republican national convention in Chicago, George Ade, the humorist, whose new book, "Knocking the Neighbors," is to be brought out this fall by Doubleday, Page & Co., made a brief visit to New York and then left for Europe, where he will make a stay of several months. For the last few years Mr. Ade has been giving the greater part of his attention to his Indiana farm, and his new book will be joyously welcomed by all lovers of the Ade type of humor.

BANKERS who carry a hammer for the bank "on the opposite corner" will do well to put in an advanced order for this book.

EUGENE H. GRUBB, known as the foremost potato grower in this country, and whose book, "The Potato," has just been brought out by the same publishers, is spending a couple of weeks lecturing on his hobby in North Carolina and other southern states. Mr. Grubb declares that unless American farmers adopt scientific intensive methods of potato culture this country will be brought face to face with a potato famine.

CHICAGO ASSOCIATION OF COMMERCE is entitled to great credit for its fight for the 15 per cent reduction of express rates. Now let it pull for a real parcels post and one-cent letter postage. We have suffered long at the dictation of the "interests."

"OUR Banking and Currency System a National Problem," the able address delivered before the New York bankers at Buffalo, has been published in pamphlet form and is the best document of pocket, or readable size, extant on this great question.

WHEN you do take time to read up on this subject it is well to know that what you read comes from a man who knows. Theorists are all right in some branches of educational reading but in finance or banking it is quite a waste of time to study their efforts.

K. L. HATCH of the University of Wisconsin is another example of the man who knows. Will any banker in his state doubt what he told them at the Milwaukee convention about their fruit resources? Not a man jack of them. He knows and they know he knows.

I. H. NAKDIMEN, down in Oklahoma gets this off and who can deny it? He says: "Our guaranty law is a good law in principle. The intent of it is practical but it needs amendments which will make it fire and water proof. Consider, fifteen banks have failed with five million in deposits and not a single depositor lost a penny."

BANKERS fight laws sometimes which they should control by their support. Had the A. B. A. canned M. T. Herrick at the Denver convention and appointed an able committee to confer with the platform making powers of the two national parties they could have had postal savings banks of their own design.

TROUBLE was Herrick thought he was a national politician (or statesman) and a bigger man than "Ole' Brian" who started the thing, but he wasn't.

EVEN as they are, they will work fine in the end. A laboring man of the socialistic type walked into the Central Trust the other day with \$300 just withdrawn from the postal bank. He said he never had believed in banks before but now he wanted that extra one per cent interest, and the conveniences of deposit and withdrawal which a bank afforded and which the government couldn't give.

HE has two other friends who are going to do the same thing. Thus you see the postal is doing a good work in educating the unbelieving. The natural landing place of all postal depositors will be in well conducted, incorporated savings banks.

WOULDN'T right now be a good time to do a little work on the re-enactment of the Vreeland bill which runs out in less than two years? The December short session is the only hope. What would we do with another panic on our hands and no legal means to fight it? The public took the volunteer clearing house certificates but would they do it again, without warrant of law?

A CHICAGO private banker claiming 3,000 savings depositors and \$200,000 deposits, offered to "sell out" to an out-of-town banker for \$5,000 cash. If you want anything as good as this we can give you his name.

THERE seems to be something of a rivalry between Taft and Teddy as to which shall drive the hearse.—Washington Post.

WHILE it may be a little premature to inventory North Dakota's grain crops, some discussion of probabilities will not be. Never since the wheat acreage in that state has been large have conditions the middle of

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

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CONVENIENT
EFFICIENT
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Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

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UNITED STATES DEPOSITARY

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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**WE ARE "MAKING GOOD"
OUR SERVICE WILL PLEASE YOU**

**ALL WE ASK IS A TRIAL
IF YOU UNDERSTAND OUR PRO-
POSITION—TRY IT; IF YOU DO
NOT, LET US SHOW YOU.**

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Frederic Cranefield on Wisconsin as a Fruit State

Secretary of the state Horticultural Society presents his subject attractively to the bankers at the Milwaukee convention. Digs into the rainbow-chasers, who, living in Wisconsin, buy "orchard shares" out beyond the Rockies. Read this, it will do you good

It would not in the least surprise me to learn that many of your members consider the topic assigned me to-day more or less of a joke. Indeed, horticulture in Wisconsin has been considered a joke for many years, at least by those who have taken the word of western promoters as to conditions in Wisconsin and without taking the trouble to look around. It is a fact which I state reluctantly that we have thousands of men in Wisconsin, otherwise sane, who firmly believe that the only place where apples can be grown with profit is some remote point west of the Rockies, some fabled land of sunshine, just at the foot of the rainbow. It is a fact which we cannot dispute, that hundreds of thousands, if not millions, of good hard Wisconsin dollars have been invested in the Far West in "Unit Share" orchards, in Colorado, in Washington, in Oregon and even in the Bitter Root Valley of Montana.

These rainbow chasers did not know nor take the trouble to learn that greater opportunities are offered right at home. They did not know, nor will they believe when told, that more money may be made from a commercial orchard of fall apples in Wisconsin than from an orchard of Spitzenbergs or Newton Pippins in Oregon or Washington; that the raising of apples and small fruits in Wisconsin is safer, more staple and more profitable than raising oranges or lemons in California, peaches in Michigan or Connecticut or pineapples in Florida; that Duchess, McMahan or Wealthy apples raised in Wisconsin and sold for 75c a bushel are more profitable than Hood River Spitzenbergs at \$1.50 a bushel, the average price received; that the famous McIntosh apple can be, and has been, grown to a higher degree of perfection in Wisconsin than in Montana; that the Wisconsin orchardist can buy an acre of land, plant it to fruit trees and bring it to profitable bearing for less than it costs to ship a carload of western apples to Chicago; that the cost of producing a bushel of apples in Wisconsin is less than the freight charges on a bushel from Washington or Oregon to Chicago.

Slowly, however, Wisconsin people are coming to appreciate the possibilities of their own state. Lest you hesitate to accept these statements unsupported, I will read a newspaper report concerning an exhibit of fruit at the Wisconsin State Fair. "This exhibition of the fruits of Wisconsin exceeded the expectations of everyone who looked in to see it. It is no exaggeration to say that the show of apples, as a whole, taking into account the number of varieties, size, fairness and perfectness of maturity, could not be beaten by any other state. A visitor remarked that he had attended like exhibitions in New York, but that this show of apples far surpassed any he ever had seen before. Over 100 varieties were on the tables. The show of pears and grapes was excellent and could not be beaten in quality. There were also some good specimens of peaches and quinces."

This report was printed in the "Wisconsin Farmer" for November, 1854, describing the fruit exhibit of that year at the State Fair. From this we can see that fruit growing is not

new in Wisconsin. Within twenty miles of Milwaukee may be found thousands of apple trees fifty years old and still vigorous and profitable. These trees show conclusively that Wisconsin soils and climate are favorable to the raising of apples.

While dairying and stock raising have been the leading agricultural industries in Wisconsin, fruit growing rapidly is coming to the front. Leaving out entirely the farm or home orchards and berry patches, Wisconsin now has over 6,500 acres of tree fruits in commercial orchards and nearly 10,000 acres of strawberries and other small fruits. A conservative estimate of the 1911 apple crop is 250,000 barrels. Door county has 3,000 acres of tree fruits, including the largest cherry orchard in the world, 520 acres in one solid block. Bayfield Co. has 700 acres of orchard and 250 acres of berries. Monroe county, 1,000 acres of berries and other counties lesser acreage but enough to place them on the map as fruit centers. Not less than one million fruit trees were planted in Wisconsin in 1911. While we are not by any means at the top of the list we are "going some." We are well on the way to success, and there is no good reason why Wisconsin should not within the next twenty years rank among the leading fruit producing states, if not the leading one.

That Wisconsin now leads in the production of butter and cheese is due not more to natural advantages than to methods employed in the business. Hiram Smith, the pioneer, Hoard, Henry, Farrington and others of the present day preaching the gospel of better feeds, housing and scientific practice in the making of butter and cheese, account for the success of dairying in Wisconsin. So also in fruit raising we have natural advantages unexcelled, all we need now is the application of proper methods in order to win. In discussing Wisconsin as a fruit state we may state affirmatively:

1st. That fruit raising is a profitable business when properly conducted. Even with the indifferent methods too often employed, apple orchards yield \$200 to \$300 an acre annually; cherries \$400 to \$600 an acre with a maximum of \$800; strawberries and other small fruits \$200 to \$500 an acre.

2d. Fruit raising pays better through a period of years than any other branch of agriculture. This may be easily and readily demonstrated by a comparison of actual profits from the best dairy or stock farm in Wisconsin with even an average fruit farm.

3d. But small capital is required, but a fraction of the amount needed in most other sections, east, west or south. With a capital of five thousand dollars a splendid fruit farm may be developed in Wisconsin that will yield in

ten years an annual income equal to the original investment.

If this sum is not available, two thousand will answer and if that is too much, one thousand and fair credit will place a beginner on a safe foundation. If the thousand is lacking a young man with good horse sense, plenty of ambition, a stout heart, hardened muscles and a clever wife can start without a dollar and before middle age have a business that will yield him a comfortable income for the rest of his days. We have men in Wisconsin who have done it. The cost of transportation of a carload of apples from the Pacific coast states is about the same as ten acres of good fruit land in Wisconsin. Negatively it may be said that:

(1) Not all parts of the state are suitable for fruit raising but Wisconsin is not different from other states in this respect.

(2) The mere investment of money in orchard enterprises is not fruit growing. In no other occupation are more brains required than in fruit raising and no method has yet been devised of successfully raising fruit by proxy.

(3) Fruit raising is not a get-rich-quick business. Brains and energy are quite as essential as in any other business. In short, it all depends on the "man behind the tree."

The chances for success depend:

1st. On the selection of the proper location and the choice of the varieties best suited to that location. Concerning the former it may be said that there are but few sections in Wisconsin wholly unsuited to fruit raising; in fact, berries and all small fruits may be grown successfully in any county in the state. The nearness to market or transportation is all that need be considered. Concerning apples and other tree fruits, certain sections are much better than others. This is true of other crops and of fruits in other states. Monroe county leads in acreage and production of small fruits with Bayfield a close second. Sparta and vicinity has 600 acres and Warrens and other points will add enough to make 1,000 acres. Crawford county has some of the best apple lands to be found anywhere in the United States. On ridges on either side of the Kickapoo river from Wauzeka to La Farge, west to the Mississippi and east to Richland county, are thousands of acres of fertile clay soil with air and soil drainage that produce the finest Wealthy, Duchess and McMahan in all the world. Crawford is destined to be one of the leading apple counties of the state.

All that has been said of Crawford applies to much of Richland, especially the western part. Apples, grapes and cherries have been grown successfully and profitably in Richland county for sixty years. Door county, and especially Sturgeon Bay, is now famous on account of its cherry orchards. Over a quarter of a million cherry trees now are growing in Door county and this number will be doubled and trebled within five years. Door county cherries have yielded as high as \$800 an acre for a single crop. Four-year old trees yield 50 to 75 dollars an acre. We have been a long time learning that latitude is not the most im-

(Continued on page 7)

The Fourth National Bank Of the City of New York

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Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
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Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61 Deposits \$5,222,665.86 Resources \$6,817,789.47

OFFICERS
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V.-Pres. & Treas.
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Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

BANK SUPERVISION

(Continued from page 1)

wrong that may be done by ill-considered action to the owners of those institutions, but as well because of unnecessary losses which may also result to the depositing public.

Must Recognize Public Rights

"The private banker, trusted in his community because of general knowledge of his integrity, wisdom and financial strength, intimately known and respected by his neighbors, naturally is inclined to protest against the passage of laws making necessary a material change in the nature of his assets and methods of conducting his business, and yet it is right that he should recognize that banks of deposit are quasi-public institutions, in connection with which, for the protection of the people, the state has the right and is impressed with the duty as well of safeguarding the depositors through proper regulation.

"Considering both the inconveniences to which the honest private banker may be put by the passage of a regulatory law and the untold suffering to which thousands of the poor have been put by the lack of such a law in this state, your committee feels if a proper regard be given in any suggested law to the equitable rights of private banking as it now exists in the state, that the public spirit of the private bankers themselves will lead them to be of assistance in its passage.

Makes General Report

"It was unanimously decided that the best service which the committee could render would be to submit to you, and through you to the association, its recommendation in general terms only, considering the ultimate results desired to be accomplished, rather than to attempt definitely to formulate the law.

"We recommend the passage of a law in the state of Illinois:

"(1) To provide for the incorporation of existing private banks that their net assets may be applied toward the payment of their capital stock and a period of three years after incorporation given for the conversion of their present assets into such assets as they may legally hold as a state bank.

"(2) A prohibition against engaging in the business of receiving general deposits except by companies organized under this act, to take effect after such length of time as will be reasonable to allow for the incorporation of existing private banks.

"(3) Providing for a minimum capitalization of \$25,000, with a further provision as to the conditions under which banks may be organized outside of the main financial center of Chicago with a capital of not less than \$50,000.

"(4) A provision exempting reorganized private banks from publishing their reports until two years after the passage of this act.

Relief for Small Banks

"(5) A provision to relieve small banks from payment direct of fees and mileage to the bank examiners and providing for the payment of their salaries and expenses by the state.

"(6) A provision for reimbursing the state, wholly or in part, for this expense by an assessment upon all the banks doing business in the state of a percentage of the capital, surplus and undivided profits of each bank.

"(7) A provision for enabling small banks to do a trust business by reducing the amount of the compulsory deposit with the state auditor and limiting the use of the words 'trust' and 'trust company' as a part of its name to companies complying with this act.

"(8) A provision that loans secured by real estate or personal property shall not be considered a violation of the section relating to maximum loans."

The report of the committee is signed by the following: Charles G. Dawes, president Central Trust Company of Illinois, Chicago; E. D. Hulbert, vice-president Merchants' Loan and Trust, Chicago; M. O. Williamson, president People's Trust and Savings, Galesburg; John J. Doherty, cashier First National, Dwight; W. M. Folger, president First Na-

tional, Vandalia; F. B. Flanders, Bank of Noble, Noble; John R. Wallace, Bartlett & Wallace, Clayton; E. T. Walker, Citizens' Bank, Macomb.

REASONS WHICH HAVE INTERFERED WITH GROWTH OF THE FARM MORTGAGE

This is the subject which comes up for discussion by Dr. Edward S. Meade in the August Lippincott's, under the title of "The Mortgage Bank."

Dr. Meade says in part: "Productive land furnishes the ultimate security for the investor. Outside of the mining industry, which contributes but little to the supply of investment securities, all other forms of investment rest directly or indirectly upon the farms. Railway traffic comes mainly from the farms, and yet there has been little utilization of the farms themselves as a basis of investment. In round numbers, the railroads of the United States are worth \$20,000,000,000. This entire value is outstanding in the hands of the investors in the form of stocks and bonds. The amount of securities issued by industrial corporations is probably greater than the value of the property which these companies own. Public service corporations are fully represented by investment securities. It is only in the field of real estate, and particularly farm real estate, that investments still lag far behind value."

ILLINOIS A. B. A. MEETING AT DETROIT

State vice-president for the A. B. A. in Illinois, President William A. Heath, of the Live Stock Exchange National will call a special meeting of the Illinois members at the Detroit convention on either Monday or Tuesday, September 9th or 10th, to elect two members of the Big Council, a state vice-president and a member of the nominating committee. This will be the regular annual meeting and none will be called at Peoria during the state convention. Nelson N. Lampert and William George are the retiring members. E. E. Crabtree, of Jacksonville, and Wm. T. Fenton, of the National Bank of the Republic, have been mentioned quite prominently for the positions. Group 4 at the Yorkville meeting indorsed Mr. Fenton, and Mr. Crabtree has a sort of holdover claim in that having been elected he declined in favor of Lampert at Springfield. Latham T. Souther, of Springfield, has much the same sort of claim on the vice-presidency, and it isn't likely any other will be suggested for the place. The long-standing tangle in A. B. A. positions in Illinois will be completely straightened out by the prompt decision and action taken by Mr. Heath. The official call for the meeting will issue within a few days.

Trust Company Service in New York

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus. \$23,000,000
Deposits - \$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

WISCONSIN AS A FRUIT STATE

(Continued from page 5)

portant factor in fruit raising. Anyone who is still of the opinion that it is too cold "up north" to raise fruit, should visit Bayfield and the Apostle Islands. This is about as far north as we can get in Wisconsin and is one of the very best fruit regions of the state. A strip along the Lake Superior shore line one to two miles wide and extending north from Washburn and west to Douglas county is unexcelled as an orchard region. Bayfield county ranks second in the production of strawberries.

2d. The second factor in determining success lies in the employment of up-to-date methods. It required a quarter of a century for Hoad and Henry to convince farmers that a rail fence afforded insufficient winter protection for the dairy cow and a strawstack too little of nourishment for the best results in the yield of butter fat. Let us hope that it will not require so long for the Wisconsin fruit grower to "get salvation." Indeed, there is no reason why it should require more than a quarter of that time to place Wisconsin in the front rank as a fruit state for Wisconsin fruit growers enjoy exceptional advantages aside from those of soil and climate. Wisconsin excels in education and especially in the aid and comfort afforded every branch of agriculture. Other states support agricultural colleges and experiment stations but too often their teachers speak only in the language of science and feel their duty well done when they have placed on record in some journal of science or official report the results of their research. In Wisconsin the college aims to speak to the farmer in the language of the farm, and in addition using every effort to bring the farmer to the college, not only through short courses in agriculture, farmer's courses and institutes, but aims to take the college to the farmer by means of the Extension Bureau. While in the past the energies of the college have been devoted to live stock and dairying, fruit growing now is receiving the recognition it deserves. The horticultural department under Prof. Jas. G. Moore, the department of entomology and nursery inspection headed by Prof. J. G. Sanders and the division of plant pathology directed by Dr. L. R. Jones, all are working for the fruit grower.

Agricultural endeavor and uplift in Wisconsin received further impulse through auxiliary

organizations, quasi-public bodies supported in part by state aid such as the Live Stock Breeders' Association, the State Dairymen's Association and others. The fruit growers are represented by the State Horticultural Society, a voluntary organization of nearly 2,000 active members. The society is a co-operative and educational institution having for its sole purpose the advancement of horticulture in its different branches. When there is added to these the influence of the Wisconsin Bankers Association, which may well be exerted in the line of increasing confidence in our state, it would seem that Wisconsin soon must be placed where it rightfully belongs—the leading fruit state.

MISSOURI PROCEEDINGS BOOK OUT

Secretary W. F. Keyser has sent out the proceedings book for the Joplin convention. It is neatly bound in cloth and contains 350 pages. The arrangement is clear and the subject matter interesting, for it was a good convention. In general plan it follows its predecessors and in its way is a model.

T. C. Neal

T. C. Neal, vice-president of the Central Trust Company of Illinois, has returned from a vacation spent on the Atlantic seaboard.

J. HERBERT WARE

EDWARD F. LELAND

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CHICAGO TO DETROIT

The hotels in Detroit have sent notice that they will be ready for the bankers any time on Sunday September 8th. The committee on transportation, in charge of the Chicago Train-de-Luxe, has decided to leave Chicago on Sunday morning, September 8th, at 10 A. M., and the run will be made in five and one-half hours. All incoming trains will get into Chicago in plenty of time on Sunday morning to make connections, and those who get in on Saturday morning will have a pleasant day in which to visit the banks, play golf or go to the ball game. Reservations are being made by four's or two's for the "banquet-on-wheels," which will be a feature of the trip. The smart thing to do, if you are going, is to reserve a table and then fill it up with your friends. THE CHICAGO BANKER or any bank in Chicago will fix you up.

LIPPINCOTT'S FOR AUGUST

The completed novel in the August Lippincott's is "Lady Make-Believe," by Florence Selden Peple, and the scenes are laid chiefly on an ocean greyhound. The vein of humor is well defined and the romance delightful. Will Levington Comfort has a short story and Edward Sherwood Meade describes "The Mortgage Bank." This is one of a series of financial sketches contributed by this great Pennsylvania educator.

DELEGATES TO TRANS-MISSISSIPPI CONGRESS

Governor Charles S. Deneen has appointed Charles G. Dawes and W. G. Edens delegates to the Trans-Mississippi Congress at Salt Lake, August 27th-30th. Mr. Edens is intending to spend a month in the West and will be at the Denver convention where Mr. Dawes will be orator of the day. One, perhaps both, will go on to Salt Lake for the A. I. B. meeting and stay over for the congress, the most important of all western commercial bodies. Mr. Reynolds and Senator Aldrich were the principal speakers last year.

CORRECTION

The convention this year of the Colorado Bankers Association will be held at Pueblo, August 19th and 20th instead of Denver, as announced in last week's issue of THE CHICAGO BANKER.

THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,460,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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John Mason, Transfer Officer

Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

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Surplus and Profits (earned) 2,270,000
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Farmers Co-operative Credit System of Russia

Washington, July 21.—Even in remote Siberia and Turkestan has the farmers' co-operative credit system reared a financial fabric to assist the peasant farmer of the Russian Czar's domain. The state department has just received from Ambassador Curtis Guild at St. Petersburg an exhaustive report on the farmers' co-operative credit system in Russia.

This is the first of a series of reports requested by President Taft from nearly every one of the diplomatic officers in Europe on this movement which he is striving to transplant to this country for the benefit of the American farmer. Ambassador Guild's report has been taken under consideration by the state department as the first step in preparing a plan to fit the co-operative credit idea to American conditions.

At the present time the Russian government has nearly forty millions of dollars of government money invested in the farmers' co-operative credit system, which is perhaps the strongest testimonial of all as to the success of the movement among Russian farmers, and of the great benefits which it is bringing to that nation.

How established a part of the Russian peasant's life this financial machine is becoming clearly is shown in the practice of the peasants to deposit their savings with the credit societies on the understanding that the deposits will be paid out after their death for their funeral expenses or that they will be returned to them at the time of the coming of age of a son or the marriage of a daughter.

The co-operative movement among Russian peasants now has developed two distinct aims: First, to educate the peasants, a large proportion of whom are quite illiterate, along the lines of modern farming; and, secondly, to encourage them to save their earnings and ac-

Ambassador Curtis Guild has sent to Washington an extended and valuable report. Department of State will furnish additional information of a like character

quire the habit of providing against the rainy days. The direct aim of the Russian government in organizing this system was to relieve the peasant from the necessity of paying exorbitant and ruinous rates of interest, imposed upon them by their money lenders, the rates often running as high as 60 and, in known cases, to 240 per cent. The movement affords further education for the peasant since the Russian government very wisely has left the management of the societies largely in the hands of the farmers themselves, conducted through the general meetings of the societies, in which every member of the society is given one vote. The peasant thus is given considerable experience in financial affairs and management. The members elect a board of directors and a council. These bodies take care of the executive work. They report to the general meetings of the societies, at which all the members are present. The government exercises supervision over the societies through the ministry of finance.

Although instituted as late as 1895, the movement has spread in Russia to include 10,000 farmers' societies, with an average membership in each society of nearly 500. The network of societies covers practically the entire immense area of the Russian Empire. Widespread interest is taken in the movement both by the Russian government and by the peasants, and the government at the present time is considering a further elaboration of the scheme.

In studying the Russian co-operative credit system from the viewpoint of the American farmer, Ambassador Guild finds that naturally the great difference obtaining between conditions in the United States and in Russia, in regard to the amount of land farmed by individuals, the system of land tenure, the wealth of the farming class, and in the general facility for borrowing money, makes it impossible for this country to secure much benefit from a study of the Russian system beyond its general principles.

For example, the average loan required by the farmer in Russia does not exceed \$50 and generally is employed to purchase some article necessary at the moment, such as an agricultural implement or a horse, the loan being repaid by the Russian farmer immediately after the harvest. Of course, the American farmer, who works a much larger acreage, usually would need more money and longer time. He would require his loan, not so much for the moment's exigency, as for the gradual development of his property.

In brief, Ambassador Guild reports the Russian system to be an institution of co-operative loan societies among the farmers, conducted under governmental patronage and supervision, by which the farmer, at no cost to him-

(Continued on page 17)

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

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CHAS. C. CARTER, Asst. Cash.R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

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Wisconsin Leads in Highway Improvement Work

W. O. Hotchkiss, of the Highway Division, State Board, explains what is being done for good roads under the new law which is in effect in all but six counties already. How and why it is being done

In opening this discussion on better roads for Wisconsin, I want first to point out to you briefly the part which roads have in the big economic questions that must be solved before conditions of living become ideal in our state, and then to outline to you what the new state aid law is and how you can get work done under it.

We hear a great deal about efficiency these days. The employer of labor hires an expert to hold a stop watch on his men and find out what movements they make in their work are superfluous and can be cut out with a saving of time and effort. And the expert figures to a cent just how much time can be saved. You bank presidents buy an adding machine because you are convinced that you can take care of the increase in your business without hiring that extra clerk. Both you and the employer of labor and every other man who is up to his job is endeavoring to see how he can accomplish most with the least effort—not for the sake of cutting down the effort but to accomplish more with the same energy or money expended.

Now I want you to think of roads in this same light—as a means to an end, as a machine to accomplish a purpose—and see what we can find as to the efficiency with which this machine works. Many estimates have been made that always used to seem to me to be extravagant. The office of public roads computed the tonnage of farm crops, the average haul to market, and the average expense per mile, and then found that the saving of 15 per cent per ton mile, which could be made if our hauling were as cheap as that of Europe, would amount to the total of \$900,000,000 a year—nine hundred million dollars. That looks preposterous on the face of it, but I am not so sure as I used to be that it is wrong. The loss is certainly an amount beyond the conception even of bankers. Henry Holt, head of the great publishing house that bears his name, stated that if simplified spelling were adopted it would result in a saving of ninety million dollars a year—in type, paper, time, etc. If simplified spelling could save that much—and Mr. Holt is no wild visionary person—certainly it should be possible to save ten times that sum on roads.

We never shall get accurate figures as to just what it costs to have poor roads, because roads influence too many things and the books

of the world are not kept closely enough to show the items. But we can appreciate something of the loss if we analyze the conditions a little. If we set down in our books the three items:

1. Production cost of food and clothing materials,
 2. Distribution cost of food and clothing materials,
 3. Educational and social conditions,
- we have the three fundamental things we all are interested in. If production and distribution costs are lowered and educational and social conditions improved, we all are benefited, and if the contrary is true we all have to pay.

Production is largely a farm item. It depends somewhat on the quality of the farm but far more on the quality of the farmer. You who come from the northern part of the state know what conditions are demanded by the farmer of the quality you want to see settling up your country, and filling your banks with money. He won't buy land way off from a road, or on a poor road, except in rare cases, and in those rare cases he soon has a road fixed up. The man you can take ten miles into the woods and stick with eighty acres of cut over land isn't ordinarily the live kind of man you want. To make production cheap and plentiful you want the farmers to be first quality as well as the farms. You want to keep the best boys on the farm as you were told this morning, you want to get Cranefield and Hatch to tell them how to raise the largest crops and the finest quality of fruit, but you can't keep a live man in a dead country very long. One of the surest signs of a dead country is poor roads. You don't see them where the people are really wide awake and getting all the farms will produce. The sleeper and more backward the people, the worse the roads are. If you build good roads and provide good schools—which are only feasible in a district having

good roads—and thereby improve the social conditions of farm life you will make it possible to keep a larger percentage of the bright boys at home.

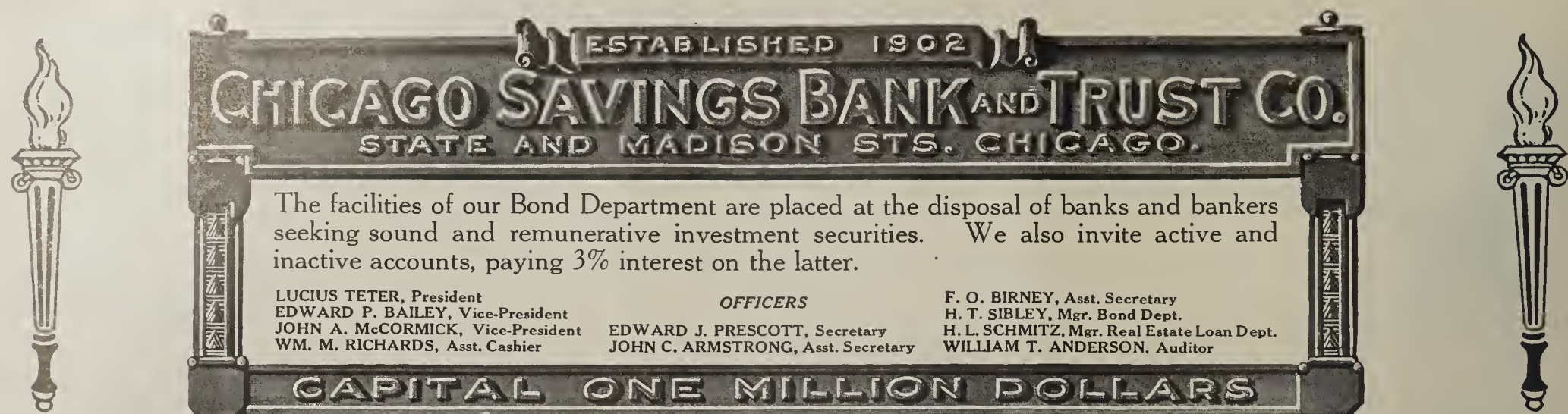
So much for the influence of roads on production. The next item is "Distribution cost of food and clothing materials." Here again the farm product plays the biggest part. If we compare bulk freights on the railroads with road haulage, we find 25 cents per mile against 2½ cents per mile. The dollar and a quarter that it costs to haul a ton the average distance from farm to market will take it fifty to one hundred miles by rail. We talk a lot about high freight rates, but when we do we don't usually mean the highest freights that we have to pay on the food and clothing we need. It will not be disputed that good roads will save by cutting the cost of distribution.

The last item is "Educational and Social Conditions." This is the most important item of all, in my opinion—for the sensible man, that first quality farmer that you want, is not going to stay long where his children can't get the best of schooling and where he and his family can't get about easily to enjoy themselves. The best schools and good social conditions never are found where roads are bad. The one is a necessity for the other.

I have attempted to point out briefly one thing—that good roads are instruments of efficiency that play an important part in our lives—both economic and social. The next question is how to get good roads. Are the poor roads—unfortunately so plentiful—due to the fact that we simply haven't paid enough money, or have we been paying the money and not getting the results? In other words, is our present road business efficient or not? As to this we have the verdict of 500 of the most intelligent farmers I could reach. The average of their estimates was that about 50 per cent of our road funds were wasted. This agrees strikingly with the figures given in a definition of an engineer I once heard—"a man who can do with one dollar what any fool can do with two."

This waste is due primarily to our antiquated system. There are 16,000 town road officials, each one of whom has his little share of the road taxes to spend practically as he sees fit. Under these conditions it isn't the

(Continued on page 27)



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

Bank Doubles Stock

The stockholders of the Rock Island Savings Bank voted to double the capital stock of the institution, thereby raising it from \$100,000 to \$200,000.

Directors Unable to Agree

Directors of the National Bank of Decatur have been unable to reach an agreement as to the style of the new bank building which they wish to erect. It is thought, however, that an understanding soon will be reached.

Prominent Banker Dead

S. P. Sedgwick, head of the Sedgwick Bank of Sandwich, died at his home last week of an illness which had lasted for several weeks. He was well known in financial circles throughout the state.

Banker's Son Weds

Frank Stowell, son of O. S. Stowell, president of the Alton Savings Bank, was married last week to Miss Verna G. Warner, of St. Louis.

Galena National to Move Into New Building

Galena National expects to be lodged comfortably in its new quarters by the middle of August, which will be among the finest in that section of the state.

Influential Rockford Citizen

One of the most influential citizens of the thriving city of Rockford may be said to be August P. Florberg, vice-president of the Manufacturers National of that place. Besides being interested in a large number of business interests, he also is associated with the Swedish Building and Loan Association, which makes it possible for the hundreds of men employed in the business concerns in which he is interested to secure homes for themselves and families.

Illinois Banking Notes

The Union National of Streator opened for business on Monday of this week. The banking rooms were open for the inspection of the public on Tuesday.

It is proposed to start a penny savings association in connection with the public schools of Rock Falls.

Two Chicago banks, each with a capital stock of \$200,000, have been chartered by the state. They are the Liberty Trust and Sav-

ings and the Madison State Trust and Savings; the First State Bank of Livingstone, Madison county, also has been incorporated.

City Clerk Henry McDonald of Virginia, Ill., has been elected to succeed J. F. Quigg, deceased, as a director of the Centennial National of that place.

Fire broke out in the banking room of the Mechanics and Merchants Bank of Moline on Sunday last. It was caused by oily waste left in a wastebasket by workmen.

Plans are on foot for the establishment of the Farmers State Bank at Medora. It is said that \$25,000 has been subscribed towards the enterprise.

W. F. Van Buskirk, vice-president of the Standard Trust and Savings Bank of Chicago, has been out of the city visiting friends down the state.

ATTRACTIVE BOND ISSUE

Henry L. Doherty & Co., 60 Wall Street, New York, has issued for distribution among investors an interesting circular giving complete details regarding the city and county of Denver (East Denver Park District) 5½ per cent bonds.

H. T. Griswold

Harold T. Griswold, who formerly was an assistant cashier of the Railway Exchange Bank, which was absorbed by the Peoples Trust and Savings, has been elected to a similar position with the latter institution.

GUARDIAN TRUST COMPANY OF NEW YORK

Invites the accounts of banks, trust companies, corporations and individuals

EDWARD F. CLARK, President
LATHROP C. HAYNES, Vice-Pres. & Sec'y ALFRED M. BARRET, Treas.

HYDE PARK STATE BANK TO OPEN AUGUST 1

Hyde Park State Bank, 53d Street and Lake Avenue, will open for business on August 1st. The bank has a capital of \$200,000 and a surplus of \$30,000. The following are the directors: Robert F. Cummings, Charles R. Horrie, Henry L. Stout, Daniel F. Burke, Frank W. Holmes, James J. Carroll, Thomas Jansen, Thomas A. Collins and John A. Carroll, who will be the president of the new institution. Robert F. Cummings will be vice-president and Thomas Jansen and M. A. Harmon will be cashier and assistant cashier respectively.

CHICAGO CHAPTER A. I. B.

By OTTO J. KRAMPIKOWSKY.

Chicago Chapter, American Institute of Banking, has arranged for a summer outing Saturday, August 3d, at High Lake, Ill., about twenty-eight miles from Chicago, on the Aurora, Elgin & Chicago Railway. Special cars will leave the 5th Avenue terminal at 2:45 and 7:15 P. M., accommodating those desiring to have a picnic lunch in the country, and also those unable to leave the city until the evening. It has been arranged to have coffee served free of charge in the club house, but lunch must be brought by those attending. Light refreshments will be served in the evening. The bathing facilities are good, and those

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\$40,000,000.00



desiring to bathe are requested to bring their bathing suits along. There will be a baseball game, etc., and there is also a splendid dancing floor. Return trains leave at 9 P. M. and 10 P. M. All chapter members, their families and friends are invited to take advantage of this opportunity to spend an afternoon and evening in the country, as a good time is assured to all. Tickets are 50c a person for the round trip, including club house and lake privileges. Two sets of tickets will be sold, one for the 2:45 P. M. train and the other for the 7 P. M. train. In order to ascertain how many cars to provide for each train, those desiring to enjoy the benefits of this summer outing are requested to purchase their tickets from Herman E. Ellefson, chairman of the entertainment committee.

WOODRUFFS TO GO ABROAD

Joliet, July 24.—George and F. W. Woodruff will sail from New York August 7th for London, for the purpose of meeting some of the head men of the largest land mortgage banks in Europe. During the consultations that will follow the meeting the plans of the new Woodruff Trust Company, the first institution in the United States to adopt the European system of rural credits, will be carefully examined by the European bankers who have given years of study and experience to the working out of the plan. The young Joliet bankers will take with them all the legal papers and trust agreements of the Woodruff Trust Company, and they will be submitted to the European experts and their most rigid criticism will be invited. The Woodruffs will spend two weeks in London in these consultations, and they plan to be back in time for the Detroit A. B. A. convention.

President Woodruff said that he heartily approves the plan which has been submitted to President Harris of the State Bankers Association for a state law to regulate private banks. The committee suggests a law making it imperative to incorporate all private banks and place them under supervision of the state.

A minimum capitalization of \$25,000 is suggested and it is proposed to give private banks three years to adjust their assets so that they will comply with the state law.

WANT FIVE-THOUSAND-DOLLAR BANKS

Without waiting for official copies of the Dawes' committee plan for universal bank supervision in Illinois, some of the smaller private banks already are writing to President B. F. Harris making a "kick" on the twenty-five thousand dollar capital minimum. One from a small country bank that wants to organize on a five or ten thousand dollar capital, says that the bill evidently is drawn to drive out the small banks, and that the committee is "working for the larger banks," although he "had understood that Mr. Harris believed in building up the farming community."

To such letters Mr. Harris is making careful replies, calling attention to the following governing conditions:

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"Two of the bankers who indorsed this report were private bankers, one in a town of less than 500, the other in a town of less than 900. This committee made an honest and sincere effort to do absolutely the best it could in the matter of suggestions with reference to bank supervision, which is sure to come. I am not responsible for their report, or the nature of it, but feel free to say that, taking all the details into consideration, private bankers can never hope to get a bill that will be less burdensome to them. The committee gave great attention to the capital requirements, and their idea is that, inasmuch as it would take a year or more for the legislature to act, and the matter be referred to the voters of the state, and that in addition to that three years are given to the private bankers to get ready, that they would then be in a position, directly or indirectly, to raise the required minimum capital.

"I am decidedly in favor of building up a farming community, and the best way to do this is to get all the progressive and responsible farmers and landowners interested in such movement. Even the smallest community, made up of such people, if it needs banking facilities adequate to its requirements, can easily get from five to twenty-five farmers and country merchants to raise a capital of \$25,000, which would make the bank strong financially, and bring it much business that might otherwise be inclined to go to the larger towns in the vicinity."

Mr. Harris cites the fact that the would-be five thousand dollar banks, so far as revealed, have, or claim, from sixty to one hundred thousand deposits now, and that supervision will double that, and that twenty-five thousand capital is only fair security for such a line of deposits. His letter concludes: "The business of banking is of such public character that none of us can attempt to operate or conduct it on a purely selfish basis, or with reference only to our own notions or convenience, and I sincerely trust you will understand the spirit of this letter, and the whole movement."



The Convention City

The
American Bankers' Association

holds its 38th annual convention at

Detroit

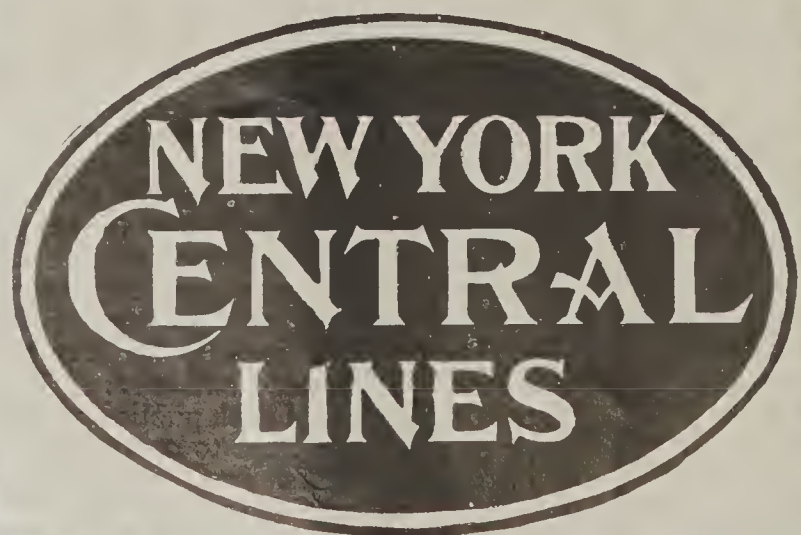
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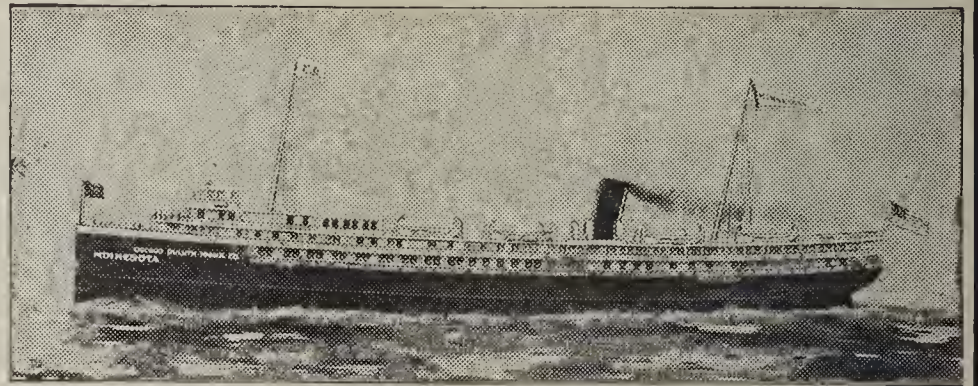
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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The agricultural committee of the Missouri State Bankers Association held a conference last week with the Missouri state board of agriculture at Sedalia, Mo., to discuss agricultural education and good roads. Similar committees from many states, which have been investigating into the causes which lure the boy and girl from the farm to the crowded cities, are to hold meetings and make reports at what is known as the Minneapolis-St. Paul conference August 7 and 8. The report of these committees, which will contain some very interesting statistics, is to be published in book form ready for the meeting of the American Bankers Association later in Detroit. After conferring with the Missouri state board of agriculture, the committee from the Missouri State Bankers Association practically agreed to recommend the state's agricultural college at Columbia, Mo. It is possible that an effort will be made later to establish country high schools throughout the state, each one drawing from several school districts, where soil culture, soil tests, seed tests, rotation in crops, domestic science and other useful arts will be taught.

Consolidation Effected Nicely

Consolidation of the National Bank of Commerce and the Southwest National Bank of Kansas City took place without a ripple on the local financial waters and now the consolidated institution, the Southwest National Bank of Commerce, is running smoothly with the old officers and most of the customers of both institutions delighted at the ease with which the big deal was put through. All the cash, books and accounts of the Southwest National Bank were transferred from its old quarters in the New York Life building to the Commerce Trust building last Saturday and the combined bank opened for business last Monday with a public reception. There were flowers banked high on all of the officers' desks, and from 9 o'clock in the morning until the close of banking hours nearly 10,000 persons visited the splendid banking rooms of the Southwest National Bank of Commerce. About \$2,500,000 in coin and currency was transferred by wagons from one bank to the other without the least excitement. More than 100 country banks having accounts with the merged bank sent representatives to the reception and hun-

dreds of letters of felicitation were received. The Southwest National Bank is now the largest financial institution west of St. Louis and its nearest rival is the First National Bank of Kansas City. It is predicted that there will be spirited competition between these banks for supremacy.

Resources of Nebraska Banks Over a Hundred Million

For the first time in the history of banking in Nebraska the total resources of the Nebraska state banks now run over one hundred million dollars, according to the report of the secretary of the Nebraska state banking board issued last week. The number of banks reporting was 681, showing 256,188 depositors and an average reserve of 30 per cent. Since the report of March 16th deposits have increased \$2,496,380 and loans have increased \$1,474,104, and there has been a gain of ten in the number of banks reporting. Compared with the same period in 1911 the increase in deposits of Nebraska state banks is \$10,948,872. "With deposits the highest in the history of the state," said Secretary Royce, "an average reserve double the amount required by law, and a reduction of \$63,000 in notes and bills rediscounted and bills payable during the last year, a very satisfactory showing for the banks of Nebraska is presented at this time, and indicates a most safe and sound condition, a substantial growth in business, and the careful and conservative lines upon which they are being operated."

Kansas Banks Flourishing

Kansas has \$6,000,000 more in its state banks than it had a year ago. "From a commercial and financial standpoint, Kansas rates 95 per cent perfect for the year 1912," said Bank Commissioner J. N. Dolley, at Topeka, the other day. Mr. Dolley's statement shows an increase of \$1,600,000 in bank capital, surplus and undivided profits, and a decrease of \$54,000 in overdrafts since the June statement of 1911. "The corn crop prospects have not been more promising for many years at the middle of July than now," said Mr. Dolley. Kansas probably has the greatest wheat crop this year it ever has produced. It may not total the greatest yield the state has had, but there are more reports of unusually large yields and of wheat

testing exceptionally high this year than ever before. Taking the price of wheat into consideration, the money yield is far in advance of bumper crop years. Grain dealers in Topeka, Wichita and other points where the new grain is coming in, assert that they never have seen Kansas wheat of such high tests and of such uniformity in color and size of the berries. Threshing has just started and the wheat is beginning to appear in the markets of the state."

Proposed Changes of Oklahoma Guaranty Law

Important changes may be made in the Oklahoma guaranty law as a result of a meeting of Oklahoma state bankers called for Oklahoma City July 30th. The meeting was asked for by the Oklahoma Bankers Association through W. B. Harrison of Enid, secretary. It is proposed that a definite plan regarding legislation will be formulated at the Oklahoma City meeting. Mr. Harrison believes the guaranty law should conform to the Kansas law in that it should not be made compulsory but optional with the banks, and all who take advantage of it should be required to stand a thorough examination as to soundness. He also is in favor of the plan proposed by State Bank Commissioner J. D. Lankford, that annual assessments for the support of the guaranty fund should not exceed one-fifth of one per cent of the bank's deposits, the deficit, if any, to be paid by the state at large. That members of the state banking board should be bankers of experience is a requirement which Mr. Harrison believes should be incorporated in the law.

Kansas City Selects Delegates for A. I. B. Convention

C. W. Allendoerfer, assistant cashier of the First National Bank, and Jerome Thralls, manager of the Kansas City Clearing House Association, have been selected as delegates to represent the Kansas City chapter of the American Institute of Banking, at that organization's annual convention this year at Salt Lake City, August 21st and 23d. Mr. Allendoerfer is a candidate for membership on the executive council. This body consists of fifteen members and includes the officers of the

(Continued on page 15)



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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, July 23.—Some diversity of opinion exists among St. Louis bankers and financiers as to the immediate future of the money market. Nearly all agree, however, in a hopeful verdict for the coming fall and winter, and indefinitely thereafter. The demand from the country, especially in the South and Southwest, is somewhat belated, primarily on account of the floods and secondly because of the general backwardness of the season. The demand, though, must come and come strong, as prospects for bumper crops are more promising every day. Experts on crops here see only one dubious factor, and that is speculative. It is that on account of the recent deluges of rain, the law of averages meteorologically will produce a drought later when corn needs moisture. This is by no means certain, but is a probable contingency. To have the incipient prosperity, recently started, rounded out there must be a large and abundant corn crop. Corn stocks are almost nil in many sections and it is highly essential that the Indian cereal turns out of bumper proportions. The recent Missouri state crop report on corn is hopeful. Almost 8,000,000 acres have been planted to corn this year, and thus far prospects are fine, though it is conceded a late fall will be indispensable for maturing the crop. Small crops will be enormous, including fruits, in this state. The outlook for potatoes and other roots was hardly ever better.

No Alarming Factors

Outside of the political uncertainties there are no really alarming factors in the horizon. Even the political developments can be guessed with some accuracy, and the worst that can happen has been discounted while the best that may transpire will bring a wave of expansion. In the territory tributary to St. Louis, extensive preparations are being made by merchants for a heavy fall trade. Wholesale houses report enormous orders, many of them indicating replenishing of stocks which have been allowed to work almost to the shelf during the past two or three years. Daily clearings continue to hold up well, and rates here are firm in the range between $4\frac{3}{4}$ and 6 per cent. Bankers report collections, both city and country, as being for the most part satisfactory.

Commerce has Housecleaning

The principal topic in local financial circles during the past week was the grand summer housecleaning of the National Bank of Commerce. The unanimous verdict of bankers here is that the charging off of \$5,748,729.35 of bad and dubious assets was an extremely wise dispensation. It places the institution on a

most solid basis and ultimately must redound to the good of the bank and its stockholders. The announcement overnight that nearly \$6,000,000 had been stricken from the surplus and undivided profits was a surprise and disappointment to many of the shareholders, but, it is stated, a majority now realize that it was the wisest course which could be pursued. Several reports were current that a change in the personnel of high officials in the bank was contemplated, but in an interview Ben F. Edwards, president, said that these rumors were without foundation, in fact. The great strength of the National Bank of Commerce is shown in the fact that after the heavy charge off, there remains still an unimpaired capital stock of \$10,000,000 and surplus and undivided profits of \$2,332,038.

Houston Oil Dividend

An announcement of much interest and pleasure to numerous St. Louisans was that by the board of directors of the Houston Oil Company that a 3 per cent dividend had been declared on the preferred stock. This is the first disbursement to stockholders in eight years, and it is understood that 3 per cent will be paid semi-annually from now on. The company has a capital of \$30,000,000, and was financed and largely is owned by St. Louisans. After many years of litigation, the affairs of the big concern were refinanced recently by Edwards Whitaker, president of the Boatmen's Bank, Colonel S. W. Fordyce and other local financiers. It now is on a better basis than at any period in its history, with prospects excellent for working out all its tangles and accumulating velvet.

West End Bank Organized

Business men and residents generally in the vicinity of Parkview and University City, have organized the West End Bank, with a capital stock of \$25,000, to be located at No. 6500 Delmar Boulevard. J. W. Harris, president of

the Harris-Polk Hat Company, has been elected president and Ernest L. White, former cashier of the First National of Morrisonville, Ill., cashier. The directors are J. W. Harris, E. L. White, H. R. Swartz, E. T. Miller, George R. Baker, John E. Ritchey and C. S. March, vice-president of the Bankers Trust Company. It is understood that the Bankers Trust Company, which controls a chain of banks in the Middle West, largely is interested in the new bank.

Bankers Assurance Likely to Consolidate

Officers of the American Bankers Assurance Company failed to secure a quorum of the shares to vote at the annual stockholders meeting and the meeting accordingly was postponed until August 1st. At that time the shareholders will vote on a proposition which was to have been submitted at the original meeting to liquidate the company and use its assets in making a merger with another assurance company. Sundry proposals have been received and will be considered, but the one regarded most likely of consummation is a consolidation with the Western Casualty and Guaranty Company of Dallas, Texas. The Bankers Assurance has about 300,000 shares outstanding, and about 15,000 shares were short at the meeting of making a quorum. The company perpetually was enjoined by the court of chancery at Wilmington, Del., from longer engaging in the insurance business.

Negro Bank Projected

The colored aristocracy of St. Louis and the moneyed class of that race have decided to engage in the banking business. A meeting was held early this week in the Third National Bank building at which tentative plans were formulated for the establishment of a negro bank in St. Louis with a capital stock of \$200,000. The meeting was largely attended, and in spite of the warm evening, great enthusiasm was displayed. A large portion of the stock was subscribed for, and it distinctly was given to be understood that the bank is to be conducted exclusively by negroes, from office boy up to president. H. M. Romberg of Indianapolis, who attended the meeting in the capacity of organization expert, stated that there were more than twenty-five negro banks throughout the country and that St. Louis is the only city of its size without one. "Here in St. Louis," said Romberg, "you have many negro residents who have overcome the obstacles naturally thrown in their way to such an extent that they are worth more than \$100,000. There is no doubt that such are able business men, and the bank will be a success

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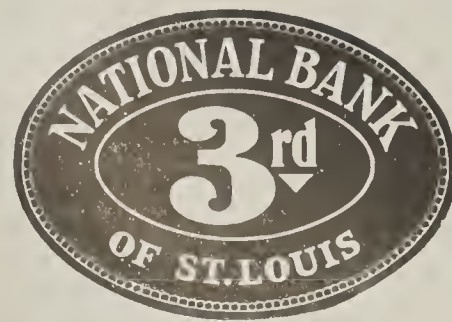
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under their direction." Another meeting has been called for the near future at which plans will be perfected and an organization formed. It is likely the new institution will be a state bank.

Building and Loan Assets

According to a report just issued in Jefferson City there are 134 building and loan associations in Missouri, with total assets aggregating \$12,633,297. During the last twelve months the associations have gained \$1,201,845. The report shows that building and loan associations decreased in assets from 1896, when they reached their high-water mark of \$26,352,954 until 1903, when their aggregate assets amounted to only \$7,771,890. From 1903 to the present their assets have steadily increased until the \$12,000,000 mark was passed last year. Of the total assets \$11,788,446 is invested in real estate. All of the associations of the state were examined during the last year and each was found in a safe condition, and all were prosperous. Numbered in their total membership are 9,700 borrowing and 17,250 non-borrowing members.

Scanlan on Directory

Philip C. Scanlan has been elected a member of the board of directors of the Mortgage Trust Company. With his election the board was increased to fifteen. Mr. Scanlan was park commissioner under the Wells administration from 1907 to 1911. His successor, Dwight F. Davis, is also a member of the board of the Mortgage Trust Company. Mr. Scanlan formerly was connected with the Wiggins Ferry Company, and was its secretary and treasurer when he retired in 1902. He is a member of one of the old French families of St. Louis on the Distaff side.

CENTRAL WEST LETTER

(Continued from page 13)

institute, and three unofficial members elected each year. There are three other candidates already announced, two from the Pacific coast and one from the East. The Central West has had little representation on this body, yet its organizations are as strong and active as can be found in the country. When Mr. Al-lendoerfer and Mr. Thralls start for the convention they will first go to Chicago, where they will join a special train of delegates from the East and Middle West.

Oklahoma Prospering

Oklahoma comes in for its share of the good things this year and its crop prospects appear to be quite as bright as those in Kansas, Nebraska and Missouri. The prosperity of the new state is reflected in the report of the Oklahoma bank guaranty fund made public last Wednesday. The report shows an increase in cash on hand from \$19,054 on April 1st, to \$44,021 on June 30th last. The board received \$84,157 from assessments of banks during the period and collected \$1,213 from assets taken from defunct banks. Settlements amounting to \$2,245 were made on account of failed banks and outstanding warrants in the sum of \$56,382 were paid.

Central West Notes

In order to secure notes for the building of an interurban trolley line from Dallas to Waco and Corsicana, Texas, the Southern Traction Company has filed a mortgage in Dallas hypothecating all of its physical properties to the St. Louis Union Trust Company to secure a bonded indebtedness of \$7,500,000.

State Bank Commissioner John E. Swanger of Missouri has withdrawn from the race for

the republican nomination for governor. Mr. Swanger says in explanation that he was a strong Roosevelt partisan before the Chicago convention, but that now he is for Taft and believes that in the interest of harmony and republican success in Missouri he can best serve his party in the ranks.

W. W. Bowman, secretary of the Kansas Bankers Association, announces a meeting of the executive committee to be held within the next ten days at which important business will be transacted. Various cities of Kansas are awaiting with interest the designation to be made by the committee for the next state convention of the association. The citizens of Hutchinson are making a strong effort to get this convention and with every prospect of success.

L. F. Adams, cashier of the National Bank of Lamar, Lamar, Colo., died recently from the effects of an operation for appendicitis. Mr. Adams was very well known among the banking fraternity of the Central West.

Through the merger of the El Reno State Bank and the State Guaranty Bank, El Reno now has one of the strongest banking institutions in Oklahoma. The capitalization is \$50,000 with assets of \$400,000. George Bellamy, vice-president of the El Reno State Bank, becomes president of the new institution; W. J. Finch, vice-president of the State Guaranty Bank, vice-president; and Arthur T. March, cashier of the El Reno State Bank, becomes cashier.

Fred A. Cuscaden of Omaha has been appointed national bank examiner and has just returned from Washington where he conferred with the officials of the treasury department regarding his assignment, which has not yet been announced.

Editorial Comment

PROPOSED REVISION OF SHERMAN ACT

Dispatches from Washington tell us that both Woodrow Wilson and Senator La Follette have contributed toward the structure of the new anti-trust law, the proposed Stanley improvement on the Sherman act with its many vagaries and cumbersome ambiguity. The importance of connecting Wilson's name with it is to avoid mentioning Bryan and in the belief (at least at Washington) that the next president will hail from New Jersey. The bill proposes that individuals shall have the power to bring suits in equity for an injunction under the Sherman anti-trust law, and that they also shall have the power to intervene in any suit brought by the government under this act. Now the federal government alone is empowered to begin proceedings under the Sherman law. The bill also proposes that the burden of proof in regard to the reasonableness or unreasonableness of a restraint of trade shall be shifted from the complainant to the defendant corporation. In addition the bill defines ten acts which shall constitute unreasonable restraints of trade. The committee contends that the definitions of these restraints will remove the uncertainty of business men in regard to the meaning of the Sherman anti-trust act. There are a dozen other radical changes proposed which ought to be studied carefully by every man interested in this vital question. The changes will make the anti-trust laws practical and effective, rather than a political asset of the president as they now are.

WAITING FOR THE COLONEL'S REPLY

Colonel Roosevelt as yet has sent no reply to the oft repeated requests of Senator La Follette for an itemized list of his contributions and expenses in the pre-convention or primary campaign. Such neglect is serious, for La Follette will not let up until he has convinced a lot of people that the Colonel is afraid to tell. All the Roosevelt talk about publicity will be recalled to that gentleman's discomfort if not to his undoing. Nor is Senator La Follette the only one. Charles H. Betts, editor of "The Republican," at Lyons, New York, and worldly-wise, has written the Colonel an open telegram, which for two weeks has not brought forth even a snort from the Bull Moose. Colonel Betts has been a republican progressive for many years, since long before Oyster Bay discovered the issue. He was invited to sign the New York call for the organization of a third party. This is his reply:

My Dear Colonel: I notice in the newspapers that you are looking for a paramount issue for your third party of treason, and that you are considering the "high cost of living." Permit me to suggest that it would be more appropriate for you to adopt as your para-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

mount issue, "the high cost of presidential primaries," in which your millionaire friends, and the steel trust, the harvester trust, and several other trust magnates, indicted by the Taft administration, are reported to have squandered \$3,000,000 in a vain effort to buy for you the presidential nomination on the republican ticket. You could, with your matchless versatility, easily explain to the public how all this trust-tainted money was honestly expended to debauch the electorate, just to give emphasis to the cause of reform and to vindicate the rule of the people.

Mr. Betts neither is an "undesirable citizen" nor a "malefactor" of any kind or he would not have been asked to sign the call. Yet he has had no reply, and he sent his telegram of declination on July 8th. The Colonel should reply to both Mr. Betts and to Senator La Follette. They want to know and the public wants to know what he did with the money when he got it; also from whom it came. Little wonder Colonel Harvey suggests a substitute for the eighth commandment which Roosevelt discovered and adopted. Harvey would write it, "Thou shalt not Steel, neither shalt thou Harvest." Let "social justice," the "recall" and other issues slide and reply to Betts and La Follette is the wish of every honest man.

PLANNING FOR SUPERVISION

Iowa couldn't do a wiser thing than to borrow the Illinois plan for putting all banking under supervision. The report of the Dawes committee couldn't be milder, nor fairer, and do the work intended. The three-year extension of time in which private bank assets can

be converted to fit the requirements of the examiner and the two-year "twilight zone" in which he may publish no reports are all in the way of leniency that even the cardinalate of the opposition could ask in reason. The Tribune says that

These recommendations are extremely conservative and do not infringe upon the legitimate interests and proper activities of reputable private banking. They were framed by expert bankers who have canvassed conditions in Illinois thoroughly, and they will be backed by intelligent and right-minded members of the banking fraternity throughout the state.

Present conditions are a holdover of other days when not much of anything was supervised or regulated by law. Private banking has escaped longest of any important branch of business, and all sections of Illinois have grown accustomed to the private bank. In the main they have been honest and respectable institutions against which no honest, individual complaint could rest. In Chicago and in the mining and manufacturing towns, however, the abuses have been the scandal of the age. Failure after failure (calling it no worse name) is the history recorded by the daily press. Losses have been total as a rule. In mining towns the situation is unspeakable.

There is no reason why honest private banks should resist regulation—none but taxes—and that should be mentioned in a whisper. The public welfare is the chief consideration at interest. The private or incorporated banker who would not defraud the unthinking and the ignorant depositor owes the public a duty in doing all he can to prevent the unscrupulous fake banker from preying upon them. President Harris has made a gallant fight and let great credit be his. He secured some of the ablest bankers in the state to draw the bill and no fair man can question its honesty or its fairness.

Iowa went on record as favoring supervision at the suggestion of President A. J. Curtin at the Cedar Rapids convention and now has an opportunity to avail of the work done by the Dawes committee. The Illinois plan will fit Iowa conditions for they are much the same as in Illinois. These two great states should get out of the rut and join their modern, up-to-date neighbors with new banking laws and separate banking departments to conduct supervision and make careful examinations. Banking should not be a side issue in the state auditor's office in charge of a mere clerk.

The Citizens State Bank of Altus, Okla., has been organized with a capital stock of \$25,000. Another new bank is the First State Bank of Talco, Texas, with \$12,000 capital.

Charles L. Beissner, owner with his brother, J. E. Beissner, of the Rosenberg Bank, Rosenberg, Texas, died last week at his home in Galveston. He was 73 years old and had been a resident of Galveston since 1843.

Convention Dates

WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.
NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



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Capital and Surplus, \$5,000,000.00

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The Minnesota Loan and Trust Company

FARMERS' CO-OPERATIVE CREDIT SYSTEM OF RUSSIA

(Continued from page 8)

self, is given the benefit of loans from his society on long time and easy terms, and, at the same time, is permitted to share in his society's profits. The loan societies are of two classes—the loan savings associations and the societies of small credit. They are both co-operative, and the aim of each is to lend small amounts to the farmers through governmental assistance. The difference between the two classes of societies is that the members of the loan savings associations are obliged to make deposits of a small amount in order to form a reserve capital for their society, while members of the societies of small credit do not participate personally in the formation of their society's capital. The latter societies are adapted to the poorer and more sparsely settled communities.

The management of all the societies is placed under the control of the ministry of finance, and is directly supervised by a department of the State Bank. When a group of twenty or more individuals wishes to form a co-operative loan society a petition to that effect is presented to the government. A government inspector then makes a personal investigation of the responsibility of the signers of the petition and of the value of their land. Upon his recommendation the government grants the society a loan of one to three thousand rubles (\$500 to \$1,500 for a period of thirteen years, at an interest rate of 5 per cent, payable annually. This loan serves as the foundation capital of the society. For its working capital the State Bank is authorized by the government to lend money to the society upon application. The amount of the loan from the State Bank depends upon the number of members in the society, their aggregate wealth, etc., but is not restricted to any one amount, and generally varies from between \$1,000 to \$1,500 and \$25,000 to \$50,000.

The State Bank loan is at the same rate of interest as the government loan—i. e., 5 per cent—but is made for a short time only, usually for twelve months. Besides the foundation capital from the government and the loans from the State Bank, the societies may obtain other loans from banks or individuals, usually at from 6 to 10 per cent interest. Savings deposits are received by the societies. The average society begins business with a total capital—that is, both foundation and working capital—of from \$4,000 to \$6,000. It is then in a position to make loans to its members, who are responsible to the society.

These loans are of three kinds: (1) Those used for current expenses for a term of not more than one year; (2) those used for the purchase of agricultural machinery, horses,

etc., up to three years; and (3) those used in agricultural improvements, irrigation works, etc., which run, generally, for five years.

Loans to members usually bear an interest rate of 8 per cent to 12 per cent. On the small loans up to \$150, no other guaranty is required of the borrower than his personal word or that of another responsible individual. Where security is given on the land or the farm products of the debtor the farmer may borrow as high as \$500. In case of failure of crops or other misfortunes coming to the borrower an extension of time is granted him in which to repay his loan, and when the harvest is not good in any district the State Bank also will extend the same leniency to the society for the repayment of its loan.

In the societies of small credit the initial loan from the government, made for thirteen years, is repaid by reserving 60 per cent of the society's net earnings as a reserve fund. This is done only in times when the society has had a prosperous year, but, so far, prosperity for the societies has proved almost the invariable rule. In the same way the loans savings associations put aside 10 per cent for the repayment of loans, and a dividend, not exceeding 5 to 10 per cent, is then paid to its depositors.

CHICAGO BANKER BOOMS WESTERN CANADA

"Western Canada fully justifies the confidence that has been and is being placed in its resources and possibilities by capitalists in eastern portions of the Dominion and throughout the United States," said G. H. Dunscomb, representing the First National Bank of Chicago, who was a visitor in Edmonton with seventeen members of the Chicago Association

of Commerce, July 16th, on a tour of the provinces of Manitoba, Saskatchewan and Alberta, described by Hubert F. Miller, business manager of the organization, as a "crusade of acquaintance." "The growth and progress which seems to us so phenomenal is, no doubt, accounted for by the fact that the builders of western Canada have been assisted in their development by the financial resources of the East," Mr. Dunscomb continued, adding: "In that respect the Canadian West is more fortunate than were the Middle States at a similar period in their development. In those days there was not the almost unlimited capital, which is at the call of western Canada to-day. The people of western Canada have the faith that moves mountains, to use a figure of speech, that will come somewhere near doing justice to the subject. There is a country of wonderful potentialities, and we find, too, that the people on the ground are fully conscious of their heritage and will bring the country, as yet hardly scratched, so far as the development of its resources is concerned, to the forefront of nations in the years that are ahead."

HOUSTON MAN HEADS NEW BANK

The organization of a new trust and banking company for Temple, Texas, with a capital stock of \$200,000, has just been completed. The institution will begin active business on August 1, with H. C. Glenn, late of the Houston firm of W. I. Williamson & Co., as president and active head. The principal incorporators are Charles M. Campbell, Dr. J. M. Woodson, T. B. Duggan, W. S. Rowland, Governor George C. Pendleton and H. C. Glenn, together with several other Central Texas prominent bankers. The institution will be incorporated under the banking laws of Texas, but will not receive checking accounts. Mr. Glenn, the president of the new bank, is well known in Houston. He was actively connected, for ten years, with W. I. Williamson & Co., and the reputation he made for integrity and sterling business capacity was a guiding factor in his selection for the presidency of the new company.

The Bank of Black Oak, Craighead county, Okla., has been incorporated; capital, \$100,000. The officers are: G. W. Mangrum, president; W. C. Craig, vice-president; C. W. Williams, secretary and treasurer, and M. C. Arington, cashier.

Corn Exchange National of Chicago has been approved as reserve agent for the National City Bank of Cleveland Ohio; Fort Dearborn National and national city banks of Chicago have been approved as reserve agents for the Indiana National of Indianapolis.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

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For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ☞ Your account carried on the books of a solid, conservative bank adds prestige to your name. ☞ Correspondence and interviews solicited.

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MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Security National Bank

MINNEAPOLIS

Capital	-	\$1,000,000.00
Surplus	-	2,000,000.00
Deposits	-	19,000,000.00

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F. G. WINSTON, Vice-President

PERRY HARRISON, Vice-President

E. F. MEARKLE, Vice-President

J. S. POMEROY, Cashier

FRED SPAFFORD, Asst. Cashier

GEORGE LAWTHOR, Asst. Cashier

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Among Chicago business men returning from a western trip through St. Paul, was Byron L. Smith, president of the Northern Trust Company. He said: "This Northwest, both as to the country and the people, is the finest section of the United States. The farther west one goes the broader and more generous the people become. Politics is not worrying them—it's the crops, and from what we have observed, the difficulty will be in getting sufficient labor to move them, for the harvest promises to be the best ever. We have no intention of mingling business with our pleasure trip and therefore will not attempt to discuss any business problems. This I will say, though, the officials of the Great Northern Railroad deserve unstinted praise for their work in opening up the Glacier National Park. We had all seen the Yellowstone, but the other park is a marvelous place. We spent some time in both parks." The party includes besides Mr. Smith: C. L. Hutchinson, vice-president of the Corn Exchange National Bank; A. C. Bartlett, president Hibbard, Spencer & Bartlett; A. A. Sprague, president Sprague, Warner & Co., and Martin A. Reyerson, president board of trustees Chicago University.

Agricultural Conference

"What proportion of your entire school population is receiving a practical education?" is one of the questions sent to the agricultural committee of twenty-five state bankers' associations preparatory to the convention of these committees in St. Paul and Minneapolis, August 7 and 8. This convention, it is said, will be one of the most important in the country this year, because of the vast influence of the investigations of the bankers on the edu-

cational programs of the public schools of the states in the past few years. In addition to the states which already have appointed agricultural committees, the associations of several states will meet this month and more representatives are to be named to the convention.

Joseph Chapman, Jr., of Minneapolis, in sending notice of the meeting to the bankers, has asked them to consider a number of questions in relation to the people on the land and the schools of the state and to be prepared to bring definite facts to the convention. There will be a number of addresses by prominent educators, but much of the meeting will be devoted to planning the future work of the bankers.

The bankers will assemble facts bearing on the proportion of the people on the soil now and how this has grown in the last two decades. The number of agricultural high schools in the state and the extent to which they reach the people also will be considered.

Banking Miscellany

The Wisconsin State Bank Commission has approved the incorporation of the Citizen's State of Trempealeau, Wis., at \$10,000. Officers are: President, William Nicholls; vice-president, Fred W. Graves; cashier, Merton Utter.

Perry Harrison, vice-president of the Security National Bank, is a road dragger. He has a summer home out at Excelsior, Lake Minnetonka. Roads used to give a great deal of trouble. Harrison one day told the village street committee to take a look at the roads around his place. The committee found the highway in good form, without ruts and

chucks and forthwith adopted road dragging for the village. Now Minneapolis has hired an expert from Iowa to demonstrate road dragging on unpaved streets, unaware of a road prophet in its midst.

The Albert Lea Trust Company and the Fidelity Trust Company, each \$50,000 capital, have been formed at Albert Lea, Minn. The latter is promoted by H. E. Keller and others, and the former by D. C. Armstrong. The two new formations increased the banking and trust company capital of the city to more than \$400,000.

Returned from the Pacific coast J. A. Latta, vice-president of the Northwestern National, says that business conditions are reported as increasingly favorable there. In San Francisco much interest was manifested in the Panama Canal. Seattle and Portland lumber trade is more active. The crops are everywhere looking good, with prospects for big yields of grain.

Nearly \$19,000,000 was handled by the Minneapolis postoffice in the fiscal year ending June 30th. Of this sum \$6,668,577 was received as over and above reserve in postoffices of Minnesota, the Dakotas and parts of Wisconsin and Michigan.

Anyone tipping off the whereabouts of Harry W. Parker, alleged to have diverted from the Bank of Commerce at Winnebago, Minn., some money, April 26, to Governor A. O. Eberhart, will have a chance at \$250 hung up as the trophy. The information must lead to arrest and conviction, otherwise there is no advertised string to the purse.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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Oklahoma CityBoston
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Tacoma Letter

BY BARTON KAUFFMAN.

Bank Clearings

The bank clearings for Tacoma for the week ending July 13, 1912, were \$4,596,264.96.

Death of George Browne

George Browne, one of the founders, and for many years secretary and treasurer of the St. Paul & Tacoma Lumber Company, Wilkeson Coal and Coke Company, and many other corporations, died early Sunday morning, July 14, at his country residence on Gravelly Lake, at the age of seventy-seven years. Mr. Browne was a member of the board of trustees of the Fidelity Trust Company from the date of its incorporation, 1889, and for many years secretary of the board. He was re-elected annually as trustee and was a member of the board at the date of his death. Mr. Browne was induced to come to Tacoma twenty-five years ago by Mr. Thomas F. Oakes, then president of the Northern Pacific Railroad, a near kinsman. He at once became thoroughly identified with many of Tacoma's leading corporations and was a large stockholder up to the time of his death. As a public citizen he was very active in promoting every important movement tending to the upbuilding and developing of his adopted city and state. He was one of the organizers, and first president, of the Union Club of Tacoma; member of the first legislature that convened after Washington was given statehood; was an active member of Tacoma's park board and as president of the park board he helped plan the arrangement and superintended the planting of the valuable trees and shrubs that have made Wright Park famous as one of the most beautiful parks in the country. Mr. Browne as a boy entered the army and won distinction in the Civil War, mustered out as captain of the same organization in which he enlisted. He was one of the original organizers and president of the board of trustees of the Ferry Museum and did much to make that institution what it is to-day. With the exception only of Col. Ferry, the city of Tacoma owes more to George Browne than to any other man for the organization and equipment of the Ferry Museum. Mr. Browne was in every sense of the word a citizen of the highest type and he dies full of honors and with the highest respect and esteem of all who knew him. In respect to his memory the banks of Tacoma adopted a resolution to close Tuesday, July 16, at one o'clock for his funeral.

Personal

A. G. Prichard, cashier of the Fidelity Trust Company, leaves the last of the week for his vacation, and will motor to Vancouver, thence take his car by boat to Victoria and spend a couple of weeks motoring over Vancouver Island.

Eugene Cazedessus, cashier of the Bank of Baton Rouge, Louisiana, with his wife, who have been touring the Pacific Northwest, spent

Saturday in Tacoma the guests of Mr. and Mrs. P. C. Kauffman.

Currency Reform

It deeply is to be regretted that both political parties at the recent conventions saw fit to treat the important questions of currency reform in such an indefinite manner. Each of the platforms recognized the necessity of important modifications in our present currency system; both of them, however, seemed to be afraid to put themselves in the position of making a positive affirmative declaration. The republicans did not seem to have the courage to endorse the plan proposed by the Monetary Commission, while the democratic platform placed the party distinctly on record as opposed to the so-called Aldrich Bill, or the organization of a central bank, yet at the same time recognized the necessity of some thorough revision or modification of our existing currency system. When the Monetary Commission was appointed, from the very fact that it was constituted of practically an equal number from each of the two great parties, and from the additional fact that its report when finally submitted to congress with the proposed bill providing for the National Reserve

Association, was signed by every member of the commission and therefore was a unanimous report, it was hoped that this most important business question would be kept entirely out of politics and be treated by congress in a businesslike manner. In 1896 the republican party had the courage to meet the free-coinage-of-silver heresy by a frank, positive declaration in favor of a single gold standard, but in 1912 it lacked the courage to place itself on record with a decisive declaration in favor of a more positive plan for reformation of our defective currency system, and in place has given a colorless plank dismissing the subject with an inconclusive statement that the republican party is committed to the "progressive development" of our currency and banking system; that our banking "arrangements" need further revision to meet the requirements of current conditions; that we need measures which will prevent the recurrence of money panics and financial disruptions; that we need better currency facilities for the movement of crops and better banking "arrangements" abroad for the promotion of American foreign trade.

A few threadbare platitudes like those furnish a poor substitute for a definite, positive declaration in favor of a carefully proposed plan such as the bill providing for the organization of the National Reserve Association.

The republican platform is only better than the democratic platform in that the latter definitely opposed the organization of the National Reserve Association, or central bank. The remainder of the republican plank is filled with platitudes and misstatements. It is evident and deeply to be regretted that the proposed currency planks in both platforms will make this question a football of politics. The undoubted result will be to delay, probably for years, any definite action by congress in the matter. The chief reliance that the bankers of the country now have for any improvement in our currency system is through the work of the National Citizens League, and in this connection I take pleasure in quoting the resolution unanimously adopted by the Washington Bankers Association at its recent convention in Tacoma favoring the work of that league, which is as follows:

Work of the National Citizens League

"Believing that the permanent prosperity of this nation depends upon a sane and sound banking system and a currency that will respond to the seasonal demands of the different sections of the nation and that the business men of the country, bankers, manufacturers, merchants and farmers alike are concerned in this most important problem of our economic and commercial life;

BE IT RESOLVED by the Washington Bankers Association, that it heartily approves of the campaign of education for sound banking and currency reform which the National Citizens League is carrying on in the state of Washington and in other states of the Union.

BE IT FURTHER RESOLVED: That the

(Continued on page 21)



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

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W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
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 JOHN J. LARGE - V.-Pres.
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Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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Iowa Banking News

By W. C. JARNAGIN

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 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, July 24.—It probably is no exaggeration to say that the genial presence of the late Emerson DePuy of Des Moines will be more missed from Iowa bank gatherings than would that of any other man in the state affiliated with the fraternity. Mr. DePuy attended more group meetings in Iowa, in all probability, than any man in the state. He never has failed to respond when invited to appear on the program and he never has faltered when called upon for a toast at the banquet which is always a feature of the group meeting. His death in Des Moines Wednesday night of last week has caused genuine sorrow throughout the entire state. The funeral was held Sunday afternoon and the bankers of Des Moines were in evidence. Mr. DePuy had been publisher of the "Northwestern Banker" for more than five years. Prior to that time he had been connected with the "Iowa Homestead" and had labored as a newspaper reporter in the earlier years of his life. He was born at Havenock, N. Y., and came to Iowa twenty-six years ago. At the time of his death Mr. DePuy was 54 years of age and he had attained a wide reputation in Iowa as a speaker and entertainer as well as a magazine writer. His death was for the most part unexpected. He was taken ill while in Minnesota and was rushed to Des Moines, where an operation was performed in hopes of relieving his suffering from congestion of the bowels. He seemed to improve, but a blood clot formed near the heart and a few days after the operation, death came. A widow and two children, a son and a daughter, survive.

Many after Presidency

It is quite apparent that the presidency of the Iowa Bankers Association next year is going to be a hard-fought affair. Although Charles T. Shade had a walkaway this year, someone will have to "go some" next year. Already D. L. Heinsheimer of Glenwood, J. H. Ingwersen of Clinton, and Charles T. Ellis of Charles City have been mentioned as presidential possibilities. The name of S. M. Leach of Adel, who aspired two years ago but retired in favor of E. J. Curtin of Decorah, also has been mentioned. It is believed that the early entrance of so many candidates into the field means that there will be more hats in the ring when the convention assembles in Des Moines next June.

Bright Outlook for State

Des Moines bankers seem unanimous in the belief that Iowa this year is going to surpass all previous records in the production of crops. It is likewise the consensus of opinion that presidential politics will have no effect whatever upon the prosperity of this state. In fact, the bankers think that the coming election likely is to clarify the situation and perhaps eliminate some of the political agitation that has been on the boards for the past four years. "The people are tired of politics," said Arthur

Reynolds, president of the Des Moines National, and well known authority on matters financial. "They will welcome the relief which I believe likely is to follow the election this fall. After election, no matter whether Wilson, Taft or Roosevelt wins, we are going to have good times. We are having good times now. But they will be better after the election. Crop prospects are magnificent, not only in Iowa but throughout the entire country. Eastern financiers whose range of vision is broad tell us that conditions never were better in all sections of the country. I do not believe that any president hereafter will be able to wield a big stick. I do not believe that any one man, elected president, will be able to upset conditions. If he is ultra-radical, the members of the congress or of the senate will not follow him."

Other bankers who were quoted in a Des Moines paper on the financial outlook coincided in their views with the belief of Mr. Reynolds. G. E. MacKinnon, president of the Mechanics Savings, George Pearsall of the Citizens National, Harry T. Blackburn of the Iowa National, and John Hogan of the German Savings, all expressed the view that Iowa's crops this year are going to be too big for presidential politics to affect the prosperity of the state.

Alleged Swindler Arrested

Secretary P. W. Hall of the Iowa Bankers Association, and Gust Patek, detective for the Burns agency, and stationed in this state, are rejoicing over the arrest of P. W. Hawley by the latter in Des Moines. Hawley was suspected of being guilty of a bunch of forgeries at Fort Dodge. After he was arrested Secretary Hall discovered that he was wanted at Omaha, and it was to that city that the man was taken by Mr. Patek. It is stated that the City National at Omaha is several hundred dollars shy as the result of the machinations of Hawley. The latter had four big trunks with him. He also was accompanied by his wife and a bulldog. He was extremely reticent when put on the grill by Messrs. Hall and Patek and declared that he was only visiting Des Moines and was about to return to Omaha. However, it was ascertained that his trunks were marked with Cincinnati as his address and that he was intending to go East the day he was placed under arrest.

Postal Banks Make Good Showing

Interesting statistics as to the amounts deposited in the various postoffice banks of Iowa have been published by the department at Washington. The postal savings depositors in Iowa applied for \$12,160 of the postal savings bonds on July 1st. Council Bluffs leads the other cities with a request for \$2,080; Des Moines is second with \$1,800, and then come Ottumwa, \$1,100; Dubuque, \$940; Muscatine and Perry, \$600 each; Decorah, Belmond and Remsen, \$400 each. The banks showed as deposited on May 31st: Des Moines, \$32,528;

The First National Bank of Bloomberg, Texas, has opened for business with a capital of \$25,000. The incorporators are J. S. Conley, T. H. Leeves, S. T. Sherman and R. H. Stuckey. This institution is a conversion of the First State Bank of Bloomberg.

Council Bluffs, \$13,625; Ottumwa, \$6,305; Dubuque, \$5,060; Muscatine, \$2,445; Centerville, \$7,345; Albia, \$14,625; Decorah, \$2,134. Centerville and Albia are in the center of mining communities and this is advanced as the reason for their big showing.

Building Company Organized

The Leavitt & Johnson National at Waterloo, which recently acquired valuable property in that city, has organized a building company with a capital stock of \$500,000. "The Leavitt & Johnson National Bank Building Company" is the name of the concern and its purpose is to prepare for the handsome new building which is to be erected in the near future.

Prominent Bankers Die

David J. Pattee, president of the First National at Perry, died last week very suddenly while sojourning at Spirit Lake. Although he had been failing for two years following an attack of apoplexy, Mr. Pattee's end came as a distinct shock to the bankers of the state. The deceased had resided in Perry for forty years and was accounted one of its wealthiest citizens. His estate is estimated at \$500,000. Two sons who survive him are Harry M. Pattee, vice-president of the First National, and Will H. Pattee, cashier of the institution. The funeral was held at Perry and was largely attended.

Henry C. Struck, cashier of the Davenport Savings and one of the well-known business men of Davenport, died last week of apoplexy at his home in that city. He had complained of not feeling well, but his death came absolutely without warning. The deceased was born in Germany. His family came to America in 1853 and in 1856 they sailed up the Mississippi to Davenport, where the deceased banker always has lived. In September, 1892, he entered the Davenport Savings as cashier. He was made a director three years later and shortly thereafter was made one of the managing board of the Davenport Clearing House Association. The funeral was held Sunday morning and was private. The body was incinerated.

Iowa Notes

President A. F. Balsh of the Marshalltown State motored to Des Moines one day last week and visited Secretary Hall of the I. B. A. Mr. Balsh reports crops as magnificent in his section of the country, as indeed they are in all parts of Iowa. Although urged to attend the Detroit convention, he stated that he is planning a month in the East in August and doubts whether he will be able to drop into Detroit for the sessions. Iowa bankers have been having some trouble securing hotel accommodations in Detroit, but Secretary Hall believes there will be no necessity for any of them sleeping in the streets.

Council Bluffs bankers are feeling mighty good over the showing the institutions in that city are making. The deposits as shown at the time of the last call totaled \$7,018,364, and at the time of the call in February they totaled \$6,888,192, a nice gain of \$130,000. The undivided profits were listed at \$51,799, and in July they had increased to \$102,498.

George Bates, after working at the carpenter trade at Reinbeck for a couple of months, floated \$91 in bogus checks on merchants in that city and made his getaway.

Mrs. L. J. Lynch of Ames had the misfortune to leave her pocketbook in the waste paper basket and it found its way into the fire. Mrs. Lynch gathered up the ashes, took them to President Meltzer of the Ames Savings and the latter packed the remains in cotton and sent them to Washington. After some days the woman received \$31 in good new bills.

The treasury department had been able to identify the ashes and was prompt to forward good money in exchange.

The Home Savings of Des Moines is getting in line and is making extensive improvements on its quarters in East Des Moines. Alterations are being made which will give it twice the floor space now available. A new white terra cotta front will be installed, a ladies' rest room will be added and there will be new fixtures and new furniture. It is anticipated that \$25,000 will be spent in making the contemplated improvements.

The Citizens State of Fayette has increased its capital stock to \$45,000.

The city council of Des Moines has approved a bond issue of \$124,000 which will be issued for flood protection purposes. It is anticipated that a second issue of \$26,000 will be authorized later.

A. C. Bielenberg of Davenport has been chosen as cashier of the new bank at Toronto, Iowa, of which Herbery Mowry is president and P. H. Schneider, of Massillon, vice-president. The bank will inspect numerous structures and will erect a building of its own in keeping with advanced thought in the way of bank buildings.

William I. Collins, formerly a banker at Knoxville and at Indianola, died at Fort Dodge. He was the son of A. W. Collins, who was the first to establish a national bank at Knoxville, and he was a cousin of Lafe S. Collins, present president of the Citizens Bank of that town.

The Juvenile Savings Company is a new organization which has been launched in Des Moines and in which several business men and a banker or two are interested. It is announced that the organization will foster the habit of saving money among children.

John C. Ruymann of the Bank of the Philippines at Manila has been visiting his father, William Ruymann, at Davenport. The guest is owner of a 43,000 acre plantation near Manila and has been on the islands for twenty years. The bank of which he is an officer is capitalized at 10,000,000 pesos or \$5,000,000 in American coin of the realm.

TACOMA LETTER

(Continued from page 19)

bankers of Washington pledge themselves to give their active assistance in the dissemination of the educational propaganda now being carried on by the National Citizens League."

New Members Washington Bankers Association

The following banks recently have joined the Washington Bankers Association:

Citizens Bank of Renton, Fisher-Munshull & Terhune Bros., Ewan; Associate member, Northwestern National Bank, Minneapolis.

Additional Members American Bankers Association

Pursuant to the action taken by the recent convention of the Washington Bankers Association an energetic canvass now is being made among the various bankers of the state that are not members in the American Bankers Association in order to secure the thirty-nine new members, so as to entitle Washington to an additional member of the executive council, thus making the election of W. D. Vincent, cashier of the Old National Bank, Spokane, definite and sure. The present membership of 261 lacks but thirty-nine of the number necessary to give the additional member on the executive council. These new members must be secured prior to August 31, 1912. Membership in the American Bankers Association for

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Spend your vacation on the Great Lakes the most economical and enjoyable outing in America. Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay. A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers. Send 2 cent stamp for Illustrated Pamphlet and Great Lakes Map. Address: L. G. Lewis, C. P. A., Detroit, Mich. Philip H. McMillan, Pres. A. A. Schantz, Gen'l Mgr. Detroit & Cleveland Navigation Company

EXTENDED TOUR TO YELLOWSTONE PARK
Twice as long in park as the regulation tours

Leave Chicago August 10th.

All Expenses, including Standard Pullman Sleeping and Dining Cars.

Entire Coaching Tours in Special Chartered Stages, all Side Trips in the Park, and many en route. Select Clientele, Private, Exclusive.

THE AMERICAN TOURIST ASS'N
1418 Marquette Building CHICAGO

banks whose capital and surplus is under \$100,000 is \$10 a year, but applications received now will give a membership up to and including September 1, 1913 for one year's dues, thus gaining practically two months.

It earnestly is hoped that the Washington state bankers patriotically will fill up the applications so as to make up the desired number and thereby double the state's representation in the most important financial organization in the world.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit	Frederick Kasten	Gustave Pabst	Clement C. Smith
Herman W. Falk	Geo. D. Van Dyke	Patrick Cudahy	Dr. Chas. E. Albright
Isaac D. Adler	H. M. Thompson	Oliver C. Fuller	Herman F. Wolf
	R. W. Houghton	Charles Schriber	

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The Milwaukee building figures last week were just \$1,000,000 in excess of those of a corresponding week in 1911, the increase being largely accounted for by the permit for the new \$1,600,000 First National Bank building, which was granted during the week.

Milwaukee Bankers to Take Lake Trip

Milwaukee banks will be well represented on the Michigan trip of the Merchants and Manufacturers Association as guests of F. C. Reynolds, vice-president of the Pere Marquette Line, on July 31st and August 1st. The banker contingent includes George W. Strohmeyer, Milwaukee National; E. J. Hughes, First National; E. A. Reddeman, Germania National; W. L. Cheney, Second Ward Savings; E. H. Williams, Marine National; William M. Post, National Exchange; and E. A. Farmer, German-American. The eighty members of the association for whom reservation has been made will leave on one of the Pere Marquette Line steamers on the night of Wednesday, July 31st, arriving in Ludington the following morning. A trip on the lake shore to Manistee will occupy the day, the Milwaukeeans returning Friday morning.

Ex-Chicago Banker Arrested

William W. Paulson, Chicago attorney and former banker, was arrested in Milwaukee this week charged with forgery. In addition to a \$1,580 note on which the charge was based, six other notes, aggregating \$10,050 and bear-

ing forged signatures, were found in Paulson's possession when the arrest was made.

Former Sheboygan Falls Banker Fined

Stedman Thomas, former cashier of the Dairymens National Bank of Sheboygan Falls, was fined \$250 in the Milwaukee district federal court this week after entering a "nolle contendere" plea to a charge of violating the national banking laws. Thomas was indicted by the grand jury when alleged to have made a false certificate of an \$11,000 check to the bank of which he was formerly cashier. The case has been pending since May 19, 1910.

St. Paul Purchases Property

With the purchase of a narrow strip of property on the south side, near the harbor mouth, the Chicago, Milwaukee & St. Paul Railway has completed its continuous right of way within the Milwaukee city limits this week. The property was purchased from the Chicago & North Western Railway for \$84,653.45. The Milwaukee road's main line tracks have occupied the ground for many years, the company leasing it from the North-Western Line. The negotiations were hastened by the railway commission's recent order for track elevation for all roads on the south side.

Dispute Over Property Valuation

The dispute over the Plankinton House property valuation, recently decided in favor of the heirs by Judge L. W. Halsey of the circuit court, probably will be reopened before the

county board of review next week, following Tax Commissioner Arnold's assertion that the property will be assessed at \$3,100,000, or \$200,000 more than last year, despite Judge Halsey's decision that the building could only be assessed as salvage. Property owners and real estate men are interested in the case as setting a standard value for downtown property in the vicinity.

Allis-Chalmers Receivership

Arguments in the Allis-Chalmers receivership and foreclosure proceedings opened this week in the United States court. Nathan Eisenmann has filed petition to be permitted to intervene on the ground that the proceedings were fraudulent and collusive on the part of the reorganization committee.

Legislative Committee Meets

The special legislative committee on fire insurance will meet in Milwaukee during the second week of August to investigate the Milwaukee fire insurance situation.

Erie President Visits Boyhood Home

Under the rural influences of seven servants, a telegraph operator and private secretary, whom he brought with him from New York, Frederick D. Underwood, president of the Erie Railroad is indulging in his annual rest cure at his boyhood home and birthplace at Wauwatosa, six miles west of Milwaukee. The house itself has suffered little change since the ju-

(Continued on page 27)



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Milwaukee National Bank OF WISCONSIN

Capital	-	\$ 450,000.00
Surplus and Profits		149,379.52
Deposits	-	3,324,106.99

OFFICERS

GEORGE W. STROHMEYER, President	C. PENSHORN, Vice-President
L. M. ALEXANDER, Vice-President	WM. F. FILTER, Cashier
JNO. F. STROHMEYER, Asst. Cashier	B. V. DELA HUNT, Asst. Cashier

We invite correspondence or interview with those contemplating a change from their present depository, or opening new accounts. We have excellent facilities for giving prompt and satisfactory service. Collections solicited on the most liberal terms.

MERCHANTS AND MANUFACTURERS BANK, MILWAUKEE, WIS.

Just a few weeks less than six years ago a number of prominent business men of Milwaukee met and organized the Merchants and Manufacturers Bank of this city, or, to be more exact, the bank began its existence July 20, 1906, with a capital of \$100,000. L. M. Alexander was elected first president; W. S. Paddock, vice-president; J. F. Conant, vice-president; M. H. Graettinger, cashier; E. C. Knoernschild, assistant cashier; and F. X. Bodden, assistant cashier. The original directors were L. M. Alexander, J. F. Conant, W. S. Paddock, S. O. Nuff, Fred Doepke, G. A. Seefeld, H. P. Andrae and H. W. Schwab. The bank opened its doors in the Plankinton Block on the corner of Grand Avenue and Second Street, its present location.

Organizing as a bank for the merchants and manufacturers of Milwaukee, this institution has enjoyed a steady growth. Its deposits at close of business June 14, 1912, as shown in

deposits, which show on June 14, 1908, \$1,126,354.43; two years later, or June 14, 1910, the deposits amounted to \$1,333,310.34; and as stated above, on June 14, 1912, the deposits reached \$1,613,863.54.

The present directors are as follows: L. M. Alexander, president and treasurer, Nekoosa-Edwards Paper Company; H. P. Andrae, treasurer, Julius Andrae & Sons Company; J. F. Conant, president, J. F. Conant Manufacturing Company; Fred Doepke, president, Wrought Washer Manufacturing Company; Nathaniel Greene, real estate; E. C. Knoernschild, cashier; W. F. Myers, vice-president; W. S. Pad-

the bank will occupy its new quarters within a few days of its sixth anniversary.

The exterior of the new building will be faced with blazed terra cotta to the top of the second floor, and with enameled brick to the roof, with large terra cotta cornice near the



W. F. MYERS
Milwaukee, Wisconsin
Vice-President, Merchants and Manufacturers Bank



W. S. PADDOCK
Milwaukee, Wisconsin
Vice-President, Merchants and Manufacturers Bank

dock, president, Cream City Sash and Door Company; Judson G. Rosebush, president, Patton Paper Company, Appleton, Wis.; H. W. Schwab, president, H. W. Schwab Company; and F. J. Wood, president, Wood County National Bank, Grand Rapids, Wisconsin.

In line with other progressive institutions in this city, the Merchants and Manufacturers Bank is erecting on West Water Street, between Wells and Grand Avenue, a modern reinforced concrete office building; dimensions are 80x135 feet, and it will be eight stories high without the basement. Work on the new building was commenced about October 1, 1911, and if present plans are consummated,



E. C. KNOERNSCHILD
Milwaukee, Wisconsin
Cashier, Merchants and Manufacturers Bank

roof. The street, alley and river sides will be faced in this manner. The first floor will be used for stores and banking purposes; the bank will occupy the entire rear half of the building, and the front part will be divided into stores to suit tenant. The main entrance and bank room will be finished in white marble and African mahogany. The floors will be marble mosaic. The grille work for the banking room will be bronze. The ceiling will be decorative plaster, and the room will be lighted with indirect lighting fixtures. No money will be spared in making the banking room and the building throughout modern and perfect in every respect.

Boon, Mich.—The Savings Bank of Boon has been organized with W. H. Woolworth, cashier.

Flat Rock, Ill.—The Farmers State Bank has been organized here by the following: G. H. Parker, Charles J. Weger and Frank Kent.

official statement, amounted to \$1,613,863.54, with total resources of \$1,909,791.10. Capital stock has been increased from original \$100,000 to \$250,000 with present surplus of \$32,500. Perhaps no better indication of its steady growth may be noted than the comparison of

Statement of
The Old National Bank
 OSHKOSH, WISCONSIN

June 14, 1912

RESOURCES

Loans and Discounts.....	\$2,260,788.48
Overdrafts	3,252.38
United States Bonds.....	100,000.00
Bank Building	120,000.00
Furniture and Fixtures.....	5,700.00
Cash and Due from Banks..	708,212.13

\$3,197,952.99

LIABILITIES

Capital Stock	\$ 300,000.00
Surplus	100,000.00
Undivided Profits.....	48,759.87
Circulation	70,000.00
Postal Savings Deposits ..	1,115.12
Reserved for Taxes	1,888.97
Deposits.....	2,676,189.03

\$3,197,952.99

Officers

E. P. SAWYER, President

CHAS. SCHRIEBER, Vice-President

LOUIS SCHRIEBER, Cashier

J. P. FITCH, Assistant Cashier

F. A. LABUDDE, Assistant Cashier

Conducted along modern lines, this bank offers to Banks and Bankers every service consistent with sound banking. ☞ Out-of-town items collected in the most direct manner possible.



OFFICERS

WM. C. BRUMDER, President

GEO. P. MAYER, Vice-President

ALFRED G. SCHULTZ, Cashier

E. A. REDDEMAN, Assistant Cashier

CARL ENGELKE, Assistant Cashier

DIRECTORS

WM. C. BRUMDER

GEO. F. BRUMDER

WM. BERGER

L. W. BUNDE

HERMAN FEHR

GEO. P. MAYER

ALFRED G. SCHULTZ

FREDERICK M. WILMANN

HERMAN A. WAGNER

Wisconsin Bankers Hear of Country Life Movement

The county work, or rural department of the Young Men's Christian Association seeks to unite in a town, village, rural community, or in the open country the vital forces of young manhood for self improvement, physically, socially, mentally, and spiritually, and to give expression to these resources in community life for the betterment of others. It considers its legitimate field to include all communities that are too small to maintain the city type of Young Men's Christian Association work, generally conceded to include towns of four thousand and under. Experience has proven that its best work is done, however, in communities in which the rural environment dominates the community ideals. It therefore is a movement which must be determined from the standpoint of qualitative rather than quantitative values. There are 45,000 such communities in the United States and Canada with a combined population of boys and young men of over 12,000,000, thus including over sixty per cent of the boyhood and young manhood in this field. There are 2,000 counties considered organizable in the United States and 500 in Canada on the present basis of organization and type of work.

County Work for County-Wide Co-operation

The term "county work" is applied to this movement because the county affords a ready geographical unit for constructive work. Counties have distinctive traditions of their own, social elements, and existing organizations of a county-wide character. As the result of repeated failures in individual communities apart from other communities, a county-wide organization, commanding the combined resources of men and money within a county, made possible in community life that which could not have been accomplished independently.

Efficiency in Organization

There are two factors that enter into this plan so essential to success—volunteer effort and expert supervision. The voluntary organization, the county committee, consisting of from fifteen to twenty prominent business

Henry Israel, editor of "Rural Manhood" and field secretary for the International Y. M. C. A., tells what that powerful organization is doing in this interesting work

and professional men and successful farmers, constitute the administrative unit and clearing house for policies and programs for the county-wide activities as well as for individual communities. These county committeemen are selected with great care, primarily meeting one of two qualifications: to be able to command resources of their own to promote this work for a period of years, or to possess such influence as to command the resources of others, both in time and money. They all must stand for the best things in community life, be vitally related to the church, to the school and other agencies that make for community progress. They constitute a voluntary body not unlike the faculty of a university at one time, or the health board of the county in another instance, as the clearing house for a religious campaign at another time, as a voluntary body of commissioners to advance the specific interests of a county, and in no uncertain degree measure out their best judgment frequently along the lines of advancing the agricultural or economic interests. Therefore, the county committee assigns these various aspects of its work to sub-committees, each of which renders its reports at the quarterly meeting of the county committee which works in close contact with the employed secretary and trained experts.

He is in a real sense a community builder. As he is employed by a voluntary organization, his services and his largest contribution to a county will be in reproducing his expert knowledge and experience in volunteer service. Therefore, his primary task is to discover, enlist, train, and utilize leadership. He is also a servant. Pastors, Sunday school superintendents and teachers, public school su-

perintendents and day school teachers, fathers and mothers, granges, farmers' clubs and institutes, women's clubs, and many other organizations seek his co-operation and advice. In the individual community, having discovered leaders and set them to work, he executes the plans and policies adopted by the county committee through volunteer leadership. His relationship is with the few men who are the leaders rather than with the masses. In addition to the county secretaries some of the older and larger counties are employing assistant secretaries, physical directors, boys' work directors, etc. There are now fifty such secretaries in forty-nine organized counties.

The Basis of Operation

County work is not an attempt to build up a new organization in country communities. It recognizes as the primary institutions of the community the home, the school, and the church. Many other supplemental organizations are doing splendid work, but the aforementioned are recognized as fundamental. It is also a fact that though these are the primary institutions, they are in many cases functioning inadequately, or have ceased to perform their function entirely. Again, in the supplementary organizations which are found in country life many are overlapping and even working at cross purposes. There seems to be no well defined or unified policy. Furnishing a common platform upon which the various interests of the people will find expression and where these interests can come together in a democratic spirit is the unifying task of the county work in the organized counties. It stands for the elimination of waste, for the interpretation of real needs after careful surveys have been made, for the assumption of specific tasks by specific individuals and communities. It gives itself to the awakening of a social consciousness, a getting together; it seeks to supplement and not to supplant. If it can persuade a virile type of a man to teach a class of boys in a Sunday school, or a leader to supervise the play and athletics of a school,

(Continued on page 30)

SECOND WARD SAVINGS BANK, MILWAUKEE

The Second Ward Savings Bank of Milwaukee was founded November 1, 1855, under the name of Second Ward Bank, with a capital of \$25,000. Mr. A. C. Wilmanns was the first president and W. H. Jacobs, cashier. The



JOSEPH E. UIHLEIN
Milwaukee, Wisconsin
President, Second Ward Savings Bank

original location was at Third and Chestnut streets.

In 1861 the bank moved into the building on the junction of West Water and Third streets, which was occupied until July, 1911, the bank then moving into temporary quarters pending completion of the new building.

In 1866 the bank was reorganized, Mr. Phil. Best, Jos. Schlitz and Val. Blatz coming in as stockholders. The name of the bank was changed to Second Ward Savings Bank and Val. Blatz was elected president, Jos. Schlitz, vice-president, and W. H. Jacobs, cashier.



W. L. CHENEY,
Milwaukee, Wisconsin
Cashier, Second Ward Savings Bank

The capital then was \$25,000 and was increased to \$100,000 in July, 1872; to \$200,000 in July, 1877, and to \$1,000,000 in 1908.

In 1869 Mr. Phil. Best died; in 1875, Mr. Jos. Schlitz was lost on the ill-fated steamer Schiller; in 1882 W. H. Jacobs died and after his death the bank again was reorganized, Mr. August Uihlein, Fred Pabst, Emil Schandain, Frank R. Falk, Chas. C. Schmidt and Henry Biefeld coming in as stockholders, and elected the following officers: Val. Blatz, president; August Uihlein, vice-president; Chas. C. Schmidt, cashier, and Henry Biefeld, assistant cashier.

The Merchants and Manufacturers Bank of Milwaukee

Confidently believes it can meet every requirement of the most discriminating bankers.

Correspondence solicited



Our new building is being erected on West Water Street, immediately adjoining Convention Headquarters



Merchants and Manufacturers Bank OF MILWAUKEE

CORNER GRAND AVENUE AND SECOND STREET

Financial Statement, June 14, 1912

RESOURCES	LIABILITIES
Loans and Discounts, \$1,377,185.18	Capital Stock\$ 250,000.00
Bonds 126,815.00	Surplus 32,500.00
Real Estate 18,147.42	Reserved for Interest and Taxes 4,590.61
Furniture and Fixtures 2,992.50	Undivided Profits 8,732.95
Due from Banks and Cash on Hand 384,651.00	Dividends Unpaid 104.00
	Deposits 1,613,863.54
\$1,909,791.10	\$1,909,791.10

DEPOSITS

June 14, 1908.....	\$1,126,354.43
June 14, 1910.....	1,333,310.34
June 14, 1912.....	1,613,863.54

OFFICERS

L. M. ALEXANDER, President	E. C. KNOERNSCHILD, Cashier
W. F. MYERS, Vice-President	A. FROEDE, Jr., Asst. Cashier
W. S. PADDOCK, Vice-President	

DIRECTORS

L. M. ALEXANDER	FRED DOEPKE	W. F. MYERS
H. P. ANDRAE	NATHANAEL GREENE	W. S. PADDOCK
J. F. CONANT	E. C. KNOERNSCHILD	J. G. ROSEBUSH
H. W. SCHWAB	F. J. WOOD	

After the death of Val. Blatz, which occurred in 1894, Mr. Aug. Uihlein was elected president; Fred Pabst, vice-president; Chas. C. Schmidt, cashier, and Henry Biefeld, assistant cashier.

In consequence of the sudden death of August Uihlein in October, 1911, a reorganization took place and his son, Jos. E. Uihlein, was elected his successor as president, with Chas. C. Schmidt, Henry Biefeld and Albert C. Elser as vice-presidents; W. L. Cheney, cashier, and Frank Brand, assistant cashier.

The bank's new building is now practically completed. It is of the flat-iron type, being located in the triangular area extending from Cedar Street north to the intersection of Third and West Water streets. This building has a frontage of 152 feet 10¾ inches on Third Street, 151 feet 11¾ inches on West Water

Street and 87 feet 9 inches on Cedar Street, the last two frontages not including the curved outline closing the acute angle at the south-east corner of the building. The main entrances, of which there are two, are located practically at the centers of the east and west fronts, and open through vestibules into the main lobby.

The facades are of gray limestone, all decorative details being hand carved. The construction of the building, as well as the interior finish, is of the best type. This building is designed for banking business only, and as such it will be one of the finest and most expensive to be found in the Middle West.

The capital stock of the Citizens Southern Bank of Savannah, Ga., has been increased to \$1,000,000.



Marshall & Ilesley Bank

MILWAUKEE, WISCONSIN

OFFICERS

JAMES K. ILSLEY
President

JOHN CAMPBELL
Vice-President

J. H. PUELICHER
Cashier

F. X. BODDEN
Assistant
Cashier

H. J. PAINE
Assistant
Cashier

OLDEST BANK IN THE NORTHWEST

THE conduct of this Bank has been marked by the adherence to sound banking principles, and its deserved reputation for conservatism and strength has won for it the confidence of the public to an unusual degree.

¶ We cordially invite the business of *banks* and *bankers*, feeling confident that our splendid facilities will render an account once established of permanent and mutual satisfaction and profit.



Capital \$500,000

Surplus ^{and} Profits \$615,000

**Would you not like to have your
Wisconsin business handled by
the "Bank of Personal Service?"**

**Write the SECOND WARD SAVINGS
BANK of Milwaukee—Capital and Surplus
\$1,400,000—for details as to the favor-
able terms on which it handles Bank
Accounts and Wisconsin Collections.**

WISCONSIN LEADS IN HIGHWAY IMPROVEMENT WORK

(Continued from page 9)

road official who is to be blamed; it is the system that permits the division of the road money into such small parts that they must necessarily be spent inefficiently even in the hands of good men. If anyone were to suggest that the railroads adopt a similar policy for maintaining their line, even the most ardent opponent of change in our road system would laugh him out of court. But there is no reason why the public business should not be as wisely conducted as a private business and we should not rest content until it is.

The new state aid law is a single step only in the right direction. I hear many critics of the law say, "It does not go far enough," and I am glad. It is true, it does not go far enough. It was only aimed to go as far as public sentiment would follow. As fast as public sentiment is educated the road laws can be changed until we get a really intelligent business-like system of doing our road work. My own belief is that the county is the proper unit for road work, with a sufficient supervisory power in the state to bring about desirable unity, and the local road work all or nearly all in charge of the county. The state aid law was drawn with this plan in mind as the ultimate aim, and after a year or two we can tell better how the county is going to be able to work. At present the counties are paying for the course in practical road building which their highway commissioners are taking in the school of experience. So I want to ask you not to be too critical until another year has gone by.

Now as to the manner of working of the new state aid law. While it is necessarily somewhat lengthy, its principles are simple and easily understood. In the following explanation the various steps necessary to get state aid are taken up in their regular order. The first step is for the county board to select a system of main roads leading from the various market towns out into the surrounding country. This system must reach into every town in the county. It is known as the "county system of prospective state highways," and when any part of it is permanently improved that part becomes a full fledged "state highway." All counties in the state (with possibly two or three exceptions) have selected such a system.

The next step is for the county board to provide a competent man to have charge of the construction of these roads—either by electing a competent man as county highway commissioner or by requesting the state commissioner to place an engineer in charge temporarily.

The third step is to raise the money to do the work with. The usual way is for the town meeting in April to vote a special tax (which must be at least \$400 and may be three mills) to be used on some one part of the selected system in that town—the town meeting selecting the place where the improvement is to be made. This money is put in the tax roll the next January and the work is done the year after the town voted the money. While it might be more desirable to do the work the same year, it is impossible on account of the fact that the state and county must make their allotments and this cannot be done quickly enough to permit the work to be done the same year.

Another way of raising the money is this: If any taxpayers want a special part of this system of roads improved they can subscribe an amount equal to what they desire the town to raise and the town board must put an equal amount into the tax roll exactly as though it had been voted at town meeting. The money thus subscribed and raised as tax, together with the amounts which this total sum would receive from the county and state as aid, must

be spent on the road named by the subscribers in their petition.

After the money is available in either of the ways named, the town board makes application to the county board which must provide a sum equal to the total the town has available. The county clerk notifies the state highway commission and if the state highway fund has money enough in it a third equal sum is allotted for the particular improvement desired.

All this money is turned into the county treasury and is expended by the county highway commissioner under the guidance and on plans approved by the trained engineers of the state commission.

The fourth step is the surveying, planning and construction of the road. Under the state aid law this work is put in the hands of the most efficient and most experienced men available. Wherever possible the work must be done by contract and all contracts must be approved by the state before becoming effective.

The kinds of work done with state and county aid are limited only by the provision of the law providing that it must be of the "best practicable under the local circumstances." Clearing, grading, cutting hills and filling valleys, as well as the construction of stone, gravel, concrete and sand-clay roads can all be done with this money. In a new and poorly settled community where the opening up of the forested country is the most important purpose to be served, the clearing, grubbing and grading up of a good dirt road would unquestionably be the best type of work to be done "under the local circumstances," and state aid is given in such cases.

In a rich old community, long settled and made up of rich farms, the only proper type of construction would be some form of macadam, gravel, concrete or other type of more permanent form of road bed, and under the terms of the law state aid is only given for this type of road in such places.

The counties of the state are taking up this work very extensively—only six are not constructing roads in 1912 under this law, and three of these have voted to take it up in 1913. Many of them are going in very heavily, issuing bonds to pay for the work. Ashland county will have a total of \$50,000 to spend on its county roads this year; Walworth county, \$26,133; Sauk county, \$65,667; Florence county, \$20,000; Grant county, \$48,915; Portage county, \$21,416; Rusk county, \$18,419; and Pierce county, \$19,157.

MILWAUKEE LETTER

(Continued from page 22)

venile Freddie Underwood nailed squirrel skins on the cellar door, but the encroachments of time are evident in the garage, servants' bungalow, and business office, which have been erected in recent years, and the concrete walls which secure the several acres surrounding the house from the gaze of the curious.

Wisconsin State Banking Notes

The absence of all records and of one of the defendants is hampering the work of the Ashland courts in the hearing of the cases against Charles Fleishbein, Glidden, and John Gordon. Gordon bankers accused of defrauding the town of Gordon out of bonds and orders. When the case was called on Thursday records on the matters were found to be missing, and Gordon, who disappeared when the matter was made public, has not returned. Fleishbein denies any criminal act on his part.

The Farmers State Bank of Markesan has secured authority to increase its capital from \$30,000 to \$40,000.

The Oconto National Bank has installed a new manganese steel safe.

Wisconsin Convention

Milwaukee, Wis., July 25.—The Wisconsin Bankers Association has just concluded its eighteenth annual convention at this place, the sessions being held in the Empress Theatre. The convention proper was held yesterday and to-day, but on Tuesday the executive council met at association headquarters, Room 502 Merrill Bldg. At 6:30 p. m. on the same day there was a reunion of the "veterans" of the association at the Hotel Pfister, where dinner was served. Being a "veteran" consists either of having attended one or more of the first four conventions, or having served as a president of the association. Delegates, associate members and guests were requested to register and secure badges, tickets, etc., as soon after arrival as possible. Registration was conducted at the Hotel Pfister club room from seven until nine o'clock on Tuesday and continued at the Empress Theatre on Wednesday. The nominating committee met on the theatre stage at 9:45 A. M., immediately before the opening of the first session. It was announced beforehand that all sessions of the convention would convene according to schedule, the program being so arranged that the social features would not conflict with the business part of the sessions; also that discussion of various subjects presented to the convention was invited. The convention was called to order on Wednesday at ten o'clock by President James T. Joyce, who delivered his annual address immediately after the invocation by the Rev. R. S. Donaldson of Milwaukee. Following President Joyce there was the report of the executive council, also consideration of reports of the secretary and treasurer, and the appointment of committees. Detective Burns of New York then delivered an address on "Protection of Banks against Criminals." After announcements were read a recess was taken until two o'clock. At 1:30 members of the A. B. A. met on the theatre platform to select a vice-president for Wisconsin and a member to serve on the nominating committee at Detroit; also to select two members from Wisconsin to succeed Messrs. Frame and Sherman upon the A. B. A. executive council, whose terms will expire in September. J. T. Joyce, the present vice-president for the state, presided. Wednesday afternoon a report was heard from the special committee on "Insurance of Bank Deposits," by H. A. Moehlenpah, cashier of the Citizens Bank, Clinton, which was followed by a general discussion of this most important subject.

In accordance with instructions received at the 1911 convention the committee submitted a "Tentative Plan for Insurance of Deposits." The session this morning was devoted to agricultural matters. The committee on agriculture reported upon agricultural conferences with other associations, the report being made by L. A. Baker, cashier of the Manufacturers' Bank, New Richmond. Results of agricultural contests and future plans also were announced by the association secretary. Then there were five-minute talks upon the advantages of these contests. W. A. von Berg, cashier State Bank, Mosinee, spoke of the advantages to the farmer; J. R. Wheeler, cashier of the Farmers and Merchants Union Bank, Columbus, spoke on the advantages to the town; Earle Pease, cashier of the First National, Grand Rapids, told of the benefits to be derived by the banker. Prof. John Munroe, principal associated school of agriculture, Co-kato, Minn., delivered a most interesting address on agricultural high schools, and Prof. K. L. Hatch of the Wisconsin College of Ag-

(Continued on page 29)

Commercial & Savings Bank

RACINE, WISCONSIN

Condensed Statement, June 14, 1912

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$2,687,906.71	Capital Stock	\$ 400,000.00
Bonds.....	13,782.04	Surplus	100,000.00
Overdrafts	8,135.63	Undivided Profits	100,396.51
Banking House.....	67,000.00	Dividends Unpaid.....	32.00
Due from Banks	300,503.18	Deposits.....	2,645,365.60
Cash on Hand	168,466.55		
	<u>\$3,245,794.11</u>		<u>\$3,245,794.11</u>

SEND US YOUR BUSINESS

OFFICERS

B. HINRICHS, President
H. HIGGINS, Vice-President

C. R. CARPENTER, Cashier
B. R. JONES, Assistant Cashier

The Manufacturers National Bank

OF RACINE, WISCONSIN

Statement Friday, June 14, 1912

RESOURCES		LIABILITIES	
Loans and discounts.....	\$1,489,992.47	Capital stock.....	\$ 300,000.00
Overdrafts	3.93	Surplus.....	150,000.00
United States bonds	150,000.00	Undivided profits.....	128,841.75
Other bonds.....	740,516.18	Reserve for unearned interest	25,000.00
Banking house	31,640.74	Circulation	150,000.00
Other real estate	5,794.93	Deposits	2,482,745.92
5 per cent redemption fund	7,500.00		
Cash	811,139.42		
Due from banks \$599,935.20			
In our own vault 211,204.22			
	<u>\$3,236,587.67</u>		<u>\$3,236,587.67</u>

OFFICERS

WARREN J. DAVIS, President
R. H. McELWEE, Vice-President
JAMES G. BENNETT, Vice-President

EDWARD W. RAPPS, Cashier
HENRY J. ROGERS, Assistant Cashier

DIRECTORS

JAMES G. BENNETT
WARREN J. DAVIS
DAVID H. FLETT

O. W. JOHNSON
R. H. McELWEE
WM. C. McMAHON

JAMES MURPHY
WM. VAN ARSDALE
H. M. WALLIS

The National Bank

OF LA CROSSE, WIS.

Capital \$ 250,000.00
Surplus 400,000.00
Deposits 4,000,000.00

Officers

GEO. W. BURTON, President
F. P. HIXON, Vice-Pres.
L. C. COLMAN, Vice-Pres.

F. H. HANKERSON, Cashier
JOS. BOSCHERT, Asst. Cash.
R. C. WHELPLEY, Asst. Cash.

Directors

F. P. HIXON
GEO. H. GORDON
L. C. COLMAN

G. R. MONTAGUE
A. W. PETTIBONE
C. F. MICHEL

HENRY GUND
JOSEPH B. FUNKE
GEO. W. BURTON

Union National Bank

EAU CLAIRE, WISCONSIN

Capital - - \$200,000.00
Surplus and Earnings, 70,000.00

OFFICERS

ORRIN H. INGRAM, President
JAMES T. JOYCE, Vice-President
MARSHALL COUSINS, Cashier

MAX E. BAUMBERGER, Asst. Cashier
MARTIN B. SYVERSON, Asst. Cashier
KNUTE ANDERSON, Asst. Cashier

Accounts of Banks, Corporations and Individuals Solicited

The First National Bank

KENOSHA, WISCONSIN

STATEMENT, JUNE 14, 1912

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$2,283,225.24	Capital Stock.....	\$ 150,000.00
U. S. Bonds.....	50,000.00	Surplus Fund	150,000.00
Other Bonds.....	515,366.51	Undivided Profits, Less Expenses and Taxes	92,572.57
Bank Building, Vaults and Fixtures.....	73,606.07	Reserved for Interest.....	18,000.00
CASH		National Bank Notes Outstanding.....	50,000.00
Currency and Coin	\$350,275.93	Deposits	3,310,936.37
Due from Reserve Banks.....	456,679.17		<u>\$ 3,771,508.94</u>
Due from Other Banks	38,856.02		
Due from U. S. Treasurer	3,500.00		
	<u>\$3,771,508.94</u>		

OFFICERS

CHAS. C. BROWN, President
GEORGE YULE, Vice-President
W. H. PURNELL, Cashier

A. W. FRANTZ, Assistant Cashier
M. G. BOERNER, Assistant Cashier

The First National Bank

RACINE, WISCONSIN

STATEMENT JUNE 14, 1912

RESOURCES		LIABILITIES	
Discounts and Demand		Capital Stock.....	\$ 200,000.00
Loans	\$1,084,891.12	Surplus	150,000.00
Overdrafts	1,322.55	Undivided Profits.....	73,332.88
U. S. Bonds to Secure		Reserve for Unearned	
Circulation	100,000.00	Interest	20,000.00
U. S. Bonds to Secure		Circulating Notes	100,000.00
U. S. Deposits.....	1,000.00	Deposits	1,953,235.74
Bond and Securities.....	705,397.37	Liabilities otherwise than	
Banking House.....	20,000.00	above stated.....	7,398.37
Other Real Estate.....	28,000.00		
Cash and Due from Banks	558,355.95		
Redemption Fund with			
U. S. Treas.	5,000.00		
	<u>\$2,503,966.99</u>		<u>\$2,503,966.99</u>

OFFICERS

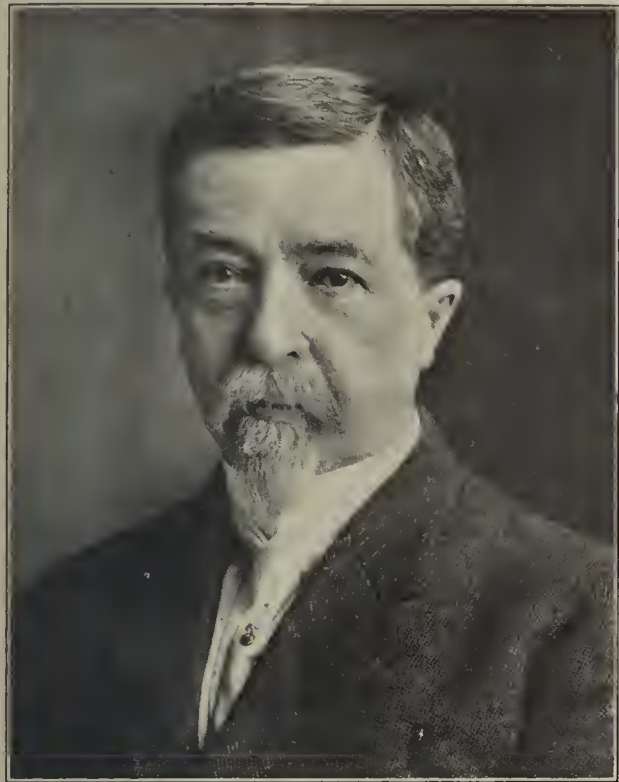
F. L. MITCHELL, President
HUGH GORTON, Vice-President

G. N. FRATT, Cashier
A. F. ERICKSON, Assistant Cashier

WISCONSIN CONVENTION

Continued from page 27)

riculture, Madison, read a paper on "Laws as to Agricultural Education in Wisconsin High Schools;" Henry Israel, editor "Rural Manhood," New York, made a few remarks on keeping boys on the farm. After a general discussion the meeting was adjourned until two o'clock. In the afternoon of the second day there was an address on "One-cent Letter Postage" by George T. McIntosh, secretary of the One-cent Letter Postage Association, Cleveland, followed by a paper on Wisconsin



GEORGE T. MCINTOSH
Cleveland

Who Delivered Address Before Wisconsin Bankers on "One-Cent Letter Postage"

as a fruit state, by F. Cranfield, secretary of the Wisconsin Horticultural Society, Madison, who in turn was followed by W. O. Hotchkiss, secretary of the State Highway Commission, who talked on better roads for Wisconsin. The committee on resolutions then made its report, which was followed by a report from the committee on nominations and the election of officers for the ensuing year. A meeting of the new executive council was held immediately after the adjournment of this session.

The entertainment features of the convention were greatly enjoyed by all those participating. The local committee, consisting of Messrs. E. J. Hughes, W. M. Post, Walter Kasten and E. A. Reddeman, is to be congratulated for its efficient work. A special invitation was extended to the visiting ladies. On Wednesday afternoon at four o'clock an inspection was made of the C. M. & St. P. car shops. Delegates and visitors thereby were enabled to see in process of manufacture every article used in the operation of a railway system, from the coupling pin to the complete locomotive. At 8:15 delegates and visitors were tendered a theatre party at the Majestic. This morning there was provided a special entertainment for the ladies, consisting of a tally-ho ride through the city parks, followed by a mid-day luncheon at Lake Park Pavilion. This evening at 6:30 an informal dinner, band concert and dance were tendered the association members and their guests at the Deutscher Club.

The sessions of the convention were largely and enthusiastically attended. The program sent out by Secretary Bartlett was quite unique, being printed upon the Wisconsin bankers' watermarked safety paper, the use of which, for drafts, checks and certificates is restricted to members of the association. Members were requested to aid in the prevention of

"check raising" by the use of this safety paper. Secretary Bartlett is to be congratulated upon the strong program presented.

Deposit Insurance Wisconsin Plan

The Wisconsin bankers heard with great interest the talk of H. A. Moehlenpah at the Milwaukee convention on the subject of the mutual insurance of bank deposits. Mr. Moehlenpah is the hard-working, able chairman of the committee having the new plan in preparation. He spoke extemporaneously but the following in an accurate résumé of the points made in his address. The company proposed will be called the Bank Deposit Limited Insurance Company, therefore no assessments are possible and the company can transact no other kind of business. Maximum policy to be three times average policy. Therefore no loss can exceed $1\frac{1}{3}$ per cent of the amount of insurance in force.

Officers are to be the same as any incorporation. Duties the same. Directors chosen by members, one from each group of the Wisconsin Bankers Association, and one at large. Members of board of directors must be stockholders of the bank within the group. Each bank has one vote irrespective of size. Headquarters and meetings to be at Madison in close touch with the banking and insurance commissioners. Meetings of stockholders held annually. Each bank appoints a person to represent it at annual meetings.

Any bank within the state, either a national, state bank or trust company, can become a member after written application has been filed within thirty days, automatically, upon paying the premium required and contribution to surplus made. Action upon any application can be postponed for periods of sixty days, in all not to exceed one year, except upon a seven-eighths vote of the board of directors. Notice of postponement to be served upon the banking commissioner and comptroller of currency.

Premium will be one-fourth of 1 per cent annually upon the average deposits of any bank as determined by the last five previous published statements. This should be credited to the account of the company upon the books of the insured bank and will bear interest at the rate of 3 per cent per annum, payable and credited on July 1st and January 1st of each year. This account can be drawn upon only for current expenses and losses. The current expense fund not to exceed 5 per cent of said fund. After payments of current expenses and losses the company may make additions to surplus funds and declare dividends.

Each bank joining the company will pay for the purpose of creating a surplus fund, one-half of 1 per cent on the average deposits as determined before. The company, however, will give to the bank a company note bearing interest at 3 per cent, payable annually. This will also be credited to the account of the company upon the books of said bank, and will also bear interest at 3 per cent credited in like manner. This surplus note cannot be paid under five years and is not a liability of the company, nor can it ever be paid except only when the surplus funds of the company are equal to twice the amount of the surplus notes outstanding. This note can be carried as an asset of the bank.

Examinations can be made by insurance company at any time at the expense of the company. Each bank filing application for insurance agrees to furnish all necessary information for said examination. Liquidation of insolvent banks to be had within thirty days,

according to law. All claims to be certified to, less legal set-offs, and duly assigned to the company when the company then issues a certificate or order. The company can cancel a policy upon the consent of the banking commissioner or comptroller of currency. A six months' written notice to be given all depositors if bank desires to cancel.

Safeguards provided are:

(1) State and national supervision now is recognized to be more and more efficient. The state banking commissioner now makes three examinations annually of all state banks. The



GEORGE D. BARTLETT

Re-elected Secretary of the Wisconsin Bankers Association

force has been increased so that two men can be used for the purpose of caring for any weak banks. We have no private bank. (2) The company will make its own examinations along lines best known to bankers and bank auditors. (3) The deposits of no bank will be insured where over 3 per cent is paid on same. (4) Notice of any change of ownership in bank stock will go forward to insurance company's headquarters on the day of such transfer in order that the company may keep track of any change of management. (5) Any deposit otherwise secured does not come under the policy. (6) All officers or employees of banks handling funds must be bonded. (7) If deposits go above ten times the amount of capital and surplus, then premium rates are increased. (8) All certificates of deposit and pass books, or any evidence of debt of said bank must bear the printed or stamped notice thereon that the insurance only applies where the 3 per cent is paid. (9) Company has oversight of all advertising.

Recommendations of committee to the legislative committee for amendments to the banking law are to be handled thus: The establishment of a banking board with the state banking commissioner as chairman, consisting of at least three members to be appointed by the governor, one of which is to be designated by the state bankers association. All applications for new banks must first be submitted to this board for ratification. The ratio of capital and surplus to deposits is to be fixed by statute, the ratio not to exceed 8 to 1.

Harvey Fiske and Sons, New York investment bankers, recently have opened a Chicago office in the Merchants Loan and Trust Building, of which Norris B. Henrotin is to be the manager.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$6,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, I.C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/2-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

WISCONSIN BANKERS HEAR OF COUNTRY LIFE MOVEMENT

Continued from page 24)

or a farmer to give his boy a man's chance. It has made a contribution to the community life, and its leaders are as well satisfied as they would be if a new organization were formed.

Community Interests Conserved

No real progress in community life can be made with any degree of permanence without commensurate progress of its material well-being, and in the rural communities particularly the natural resources play an important part in demonstrations showing the possibilities of soil production. This is shown in the corn-growing, poultry-raising, and fruit-growing contests, in the horticultural classes and demonstrations, in potato-raising, in dairying, re-forestation, etc. For this work it is necessary to secure the help of experts at experiment stations and agricultural colleges, which always comes more than enthusiastically. One-day courses are set up in various communities.

Supplementary Education

The boy in the country needs to have his school education supplemented by various other educational activities. A more intimate knowledge of the natural sciences, practical rather than academic, is imparted through simple talks on astronomy, biology, botany, zoölogy, geology, and on mathematical subjects related to the farm and to the home. This training in practical mathematics covers cost, accounting, measurements of garden plots, of the height of trees, and other necessary practice in mathematics. An extensive variety of "Practical Talks" with demonstrations also is conducted.

Social Aspects

Country-life experts unanimously are agreed that what the country needs is social life. The inherent organization germ of the Young Men's Christian Association is social. It takes isolated communities and brings them together under the county work plan; it brings isolated individuals together in groups; it brings communities together in play, in inter-community debates, in inter-community agricultural contests, and in inter-community church movements. It eliminates the tendency to social stratification or the formation of cliques, which result naturally from the lack of social direc-

tion. A many-sided program of social activities is carried out involving neighborhoods, various homes and families, boys and girls.

Rural Recreation

Rural recreation is another great factor in achieving a healthy consummation of content and normal living. Here the boy needs a normal physical expression, again socialized, particularly in the games, such as baseball, or in relay races, where one runner depends upon the other for the success of the team. This team work will do much to bring about a neighborly spirit of co-operation and neutralize individualistic tendencies. Community play days and community carnivals in which every boy and girl, man and woman takes part have been held. In one instance ninety per cent of the entire community turned out to spend the day together, the girls in their particular games, the boys in baseball and outdoor basketball, the smaller children enjoying sand-boxes and children's games. These are known as the great community play carnivals.

Under this head must also be considered the conservation of rural health. Sanitation, domestic and community, hygiene, etc., are taken into consideration; practical talks and illustrated lectures are given; the rural school teacher is encouraged and aided in organizing plays and games during the recess periods; Sunday schools are brought together in athletic leagues; and many other similar efforts afford the rare opportunity to the county secretary in some genuine social engineering.

The Home

The whole question of the home virtually is involved in rural community progress, which implies a more intimate knowledge of the needs of the home and the conditions that must be met before home life can be made satisfactory. Among the results of this better knowledge will be the further invention and introduction of labor-saving devices. The spirit of the home will be conserved by the development of a closer relation between parents and children and children and parents, and by the awakening in the minds of the parents of a need for boy-mindedness and girl-mindedness. Many parents' meetings are held where emphasis is being laid upon the comradeship and friendship of parents and their children, as well as the need of inspiring boys and girls to a greater interest in the arrangement of the home and in conserving its spirit and orderliness. The important matter of sex hygiene is not overlooked in this domestic educational campaign.

Conserved by State and International Organizations

Twenty-two state and provincial committees of the United States and Canada have separate sub-committees on rural work and employ experts who maintain direct relationships to the county secretaries and county committees and who with their committees constitute a clearing house for the state. In similar lines the international committee through its sub-committee on rural work employs five experts who are related to the various state departments and provincial departments of the United States and Canada, where a clearing house is maintained from a national standpoint. It is to this department that already requests have been sent from Great Britain, India, Japan, and other nations that are desirous of having the county work movement of the Young Men's Christian Association. The official organ of the movement, "Rural Manhood," is published by this committee.

A movement which commands the confidence of business men to the extent of a quarter of a million dollars a year at the present time, which enlists 2,000 leaders and committeemen and which reaches in its activities more

than 25,000 young men and boys in 500 communities with 62 trained experts and 35 years of experience, is glad to share in a small degree at least in the present onward movement for country-life progress.

FIRST NATIONAL OF KENOSHA

In speaking of the influential and growing banks of Wisconsin, one must not lose sight of the First National of Kenosha. This institution was established at a state bank in 1852 and as a national bank in 1864. It was one of the first to enter the national banking system. The charter number assigned to the First National was No. 212, which number it still retains. At the present time there are less than ninety national banks in operation in the United States which are older than 212. By reason of efficient management, and strict compliance with the regulation relating to national banks, this institution has been enabled successfully to weather every financial crisis with which the country has been beset. The personnel of its board of directors and officers



CHARLES C. BROWN
Kenosha, Wisconsin
President, First National Bank

has included some of the most prominent and influential men of the state, among whom were Zalmon G. Simmons, president of the bank for thirty-eight years; L. G. Merrill, Edward Bain, George Yule, Frederick Robinson, James H. Howe, Vrail Newman, Thomas B. Jeffrey and many others. The present officers are Charles C. Brown, president; George Yule, vice-president; W. H. Purnell, cashier, and A. W. Frantz and M. G. Boerner, assistant cashiers. Mr. Brown was president of the Wisconsin Bankers Association in 1910. The directors are George Yule, president of the Bain Wagon Company; C. C. Allen, president N. R. Allen's Sons Company; Charles T. Jeffrey, president the Thomas B. Jeffrey Company; Z. G. Simmons, a son of the first president of the bank, and president of the Simmons Mfg. Company; Richard F. Howe, International Harvester Company; A. H. Lance, first vice-president and treasurer, Simmons Mfg. Company and Charles C. Brown, the present president, who has occupied this position ever since the retirement of Mr. Simmons, the first president.

The last statement of the condition of the bank made to the comptroller of the currency shows deposits of \$3,310,936.37. The bank has a capital stock of \$150,000 and surplus of a like amount.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

July been so favorable for such a large crop as they are at present.—Commercial West.

EDITOR RIDDLE of the Texas Bankers Record is supporting John E. Swanger for governor of Missouri on his record as banking commissioner. Since the talented and beautiful Miss Riddle cannot vote it is up to "Dick" Hames, R. L. Rinaman, J. S. Calfee or some other gallant crusader to become her "alter-nate" and get busy.

WE'RE for Swanger, too!

WE'RE still for B. F. Harris for governor, Bull Moose or no Bull Moose. Illinoisans will be proud to vote for such a man. Our vote is pledged now although we'd rather read a Tribune editorial on Lorimer than even hear T. R.'s name mentioned.

WHEN you get a letter from the "Secretary O. B. A.," whom is it from, W. B. Harrison or Stacy B. Rankin?

FRANK D. BRUNDAGE (K. N. & K.) was in Chicago this week enroute to the Milwaukee convention, then for two weeks in the iron range country. Fine to work up north in the summer and "way down South" in the winter.

OKLAHOMA's delegation to the A. B. A. convention at Detroit, September 9th, will join the Kansas-Missouri delegation at Kansas City and travel with that party on a handsome special train.

SANTA FE will put a special car into Oklahoma City for them and it will run through without change.

PRESIDENT ASA E. RAMSEY of the O. B. A. is pushing the better agriculture movement this year as hard as the officers of the association did last year. Mr. Ramsey is president of the Muskogee Clearing House and that organization recently took up this subject with an earnestness and directness that is worthy of emulation in every part of the state.

A YOUNG man in New York, just come of age, said he didn't know whether to become a gambler or to go on the police force. His papa, who reads the papers, said it didn't make much difference in which class he started.

THEY are not likely to hang anyone in New York for the murder of Gambler Rosenthal. It will end much like the killing of one "labor man" in Chicago by another, is the general opinion.

OUR good friend T. R. Preston of Chattanooga is being boomed for governor of Tennessee. He has made such a success of the Hamilton National and the Hamilton Trust that he could run on that record alone.

"AS soon as Mr. Reynolds is up I should like to speak to him on the 'phone," ran the message to the Moraine Hotel up in Highland Park. "George M. Reynolds has been up and gone an hour; takes the 7:32 regularly," was the answer.

"WHAT do you think of that?" said the caller-up, who hails from New York. "Little wonder they've quit trying to head him off."

KANSAS CITY claims one banker who can have his hair cut without removing his hat. Whom did you say?

LOGAN C. MURRAY of Louisville is one of a board of fifteen who control the destinies of the Presbyterian church of the world. Also an ex-president of the A. B. A.

LAST we heard from Col. Buck, down Mobile way, he hadn't decided whether to join T. R. or to start a new third-party in the A. B. A. with his new constitution plan as a platform.

LAST week a few lines were devoted to putting in for the chapter boys when state secretaries are called upon to assist in finding acceptable help for their member banks. Many expressions of kindest appreciation have been received from "the boys."

SOME may not know that every large chapter has special facilities for furnishing "bank help" and is glad to do it. Furthermore, the beneficiary has this service free of expense or embargo upon future salary.

THE shooting-out was done over the kindly shoulder of Secretary W. C. Macfadden, of North Dakota, who generally is and always wants to be right.

NO name of any employment bureau or agency was mentioned, but a concern in Council Bluffs, through some unreadable signature as "vice-president," has sent in a two-page "holler," much as if their honor had been assailed, in the attempt to help the chapter boys. Here is paragraph No. 1 of the Council Bluffs letter:

"RECENTLY we had called to our attention an editorial in THE CHICAGO BANKER; we are wondering why you have taken it upon yourself to criticize the methods of our company. You have done so in a very rank manner by your several paragraphs regarding Secretary Macfadden, and his connection with our company for the filling of positions free of charge to the members of the North Dakota Bankers Association."

SECOND paragraph reads: "You intimate that we are offering inferior services, and that by employing the American Institution of Banking at Minneapolis, Milwaukee or Chicago, that 'no one but safe men would be recommended for bank employment.' You go on to say, 'there wouldn't be nearly so many look-out notices, and "lost" checks and drafts, etc., would be less frequent if none but bank men were put on guard.'"

YES, and we stand by all that falls within the sub-quotation marks as being true, and likewise stated in good English.

THE Council Bluffs writer then goes on to say: "Also, let us add for your informa-

tion, that all of our applicants are bank men." The firm claims to investigate every applicant through "reliable channels," whatever that may mean.

HERE is the hottest one of all, for the Council Bluffs man loses his temper with this: "The only reason which comes to our mind at the present time for this 'knock' is, possibly, because we do not carry an advertisement in THE CHICAGO BANKER. We often heard of this manner of attacking non-advertisers, but we supposed these methods were used only by disreputable publications who did not have any standing."

ENGLISH is a little turgid, rhetoric worse, and the intention to hurt someone's feelings is obvious. We now have given our "kicker" a pretty liberal amount of space, considering that there was no direct reference nor any criticism of this man's firm in what was published. We believe still that state secretaries should work with and in the interest of the chapters of the A. I. B.

THE great American Bankers Association helps to maintain the Institute and its work is intended better to equip bank men for their positions and to fit them for other, better positions, and every loyal member bank and every loyal, efficient state secretary will help on the good work when the method and opportunity are pointed out.

OUR thanks to the shoe-pinch gentleman at the Bluffs for "a good excuse" to exploit the chapter offer all over again, and there is added pleasure in printing the following manly paragraphs from Secretary W. C. Macfadden, who also is vice-president of the Secretaries Section of the A. B. A., and is sure to be promoted at Detroit to the Big Chair.

INOTE your suggestion in reference to furnishing bank employees on page three of the July 20th issue of THE CHICAGO BANKER. Your suggestion is first-class and I am sure will be the means of working out the plan you suggest.

IPRESUME all secretaries have the same experience as I have, and I often get letters from members as to whether I know where they can get a first-class assistant cashier, bookkeeper or teller. I also receive a great many letters from young men wanting such positions.

OUR association is somewhat under obligations to Chas. E. Walters Company, for the reason that they furnished us with very handsome badges at our recent state convention. When they suggested the plan outlined in our bulletin we were glad to give their proposition courteous consideration.

THE plan you propose, however, is very much better all around and am sure your suggestion will be the means of it being adopted in a great many associations. We have organized two chapters of the A. I. B. in North Dakota, one at Fargo and one at Grand Forks. By co-operating with these chapters and the ones in Minneapolis, St. Paul and Chicago we no doubt can work out your plan to the benefit of our members and the A. I. B. chapter. Thanking you very much for your suggestion, I am, Yours very truly,
W. C. MACFADDEN, Secretary.

CASHIER.

J. S. Calfee, cashier of the Mechanics-American National, a member of the executive council of the A. B. A. will spend his vacation in Michigan this year. William McC. Martin, assistant trust officer of the Mississippi Valley Trust Company, also will spend his vacation in Michigan.

BONDS PAYING 5 TO 6%

	To Net You
Spokane & Inland Empire R. R. 5s (1926) - - - - -	5.00%
Virginian Railway First 5s (1962) -	5.05%
E. St. Louis & Suburban 5s (1932) -	5.25%
California Gas & Electric Un'g & R'g 5s (1937) - - - - -	5.27%
Springfield (Mo.) R'y & L't 5s (1926)	5.50%
United R's St. Louis Gen'l 4s (1934)	6.00%
Street's Western Stable Car 5s (1916)	6.00%

Send for full descriptions of these and other Municipal, County, Railroad and Public Service Corporation Bonds—all thoroughly safe and adapted to the most advantageous investment of the funds of your institution. We shall be glad to reserve bonds for July delivery. Write us today.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

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Reid, Murdoch & Company
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Capitalist
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cago & Northwestern Railway Company
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ORSON SMITH, President
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An Up-to-Date Bank cannot long combat the

PRESS ONLY ONE KEY **71¢**
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

money-saving argument of labor-
saving equipment, especially when
our machine must make good on
your own counter.

The Brandt Automatic Cashier
is used and endorsed by

Over 5000 Bankers

It is infallibly accurate and saves
25% in time. A moment's time,
a postal will bring full particulars
of our interesting offer to bankers.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. CHICAGO



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
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L. H. GRIMME	Vice-President	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

New Trains to ST. LOUIS

VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office **76 W. ADAMS ST.** Commercial National
Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

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JAMES HAY, Vice-President
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R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
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CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

AUGUST 3, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Fun at Detroit

The entertainment committee at Detroit has been busy in the interests of their A. B. A. friends who are coming to the big Thirty-eighth Annual Convention. A program has been provided such as but few cities would attempt to pull off. It has something for each day, with two strong numbers for Monday and is as follows:

Monday, September 9th: At 12:30 P. M. to 2:00 P. M. Reception and luncheon at the plant of the Burroughs Adding Machine Company. At 4:30 P. M. Steamer Tashmoo for ride on Detroit River and Lake Ste. Claire; returning about 10:00 P. M. Luncheon served aboard the boat.

Tuesday, September 10th: At 8:00 P. M. Reception to visiting bankers and ladies at the Wayne Pavilion, to be followed at 9:00 P. M. by a ball.

Wednesday, September 11th: At 2:00 P. M. Golf tournament at the Country Club. The chairman of the golf committee announces that suitable prizes will be offered. At 3:00 P. M. Base ball at Navin Field. Detroit vs. Philadelphia. A section has been reserved for visiting bankers. At 8:00 P. M. Theatre.

Thursday, September 12th: At 3:00 P. M. Base ball at Navin Field. Detroit vs. Philadelphia. A section has been reserved for visiting bankers. At 3:30 P. M. Luncheon at Walkerville; compliments of Hiram Walker & Sons. Boat leaves foot Woodward Avenue at 3:30 P. M. and returns about 7:00 P. M. At 4:00 P. M. Reception for the ladies at the Country Club. The chairman having in charge this reception is exerting every effort to make this one of the most enjoyable functions of the week. At 8:00 P. M. Theatre.

Friday, September 13: Autos in attendance for visits to industrial plants at pleasure of visitors.

In addition to the program as announced, the entertainment committee has other features for the entertainment of guests which will be announced as soon as the details can be worked out.

The chairman of the Hotel Committee states that already between 1,700 and 1,800 people have been well taken care of at the hotels and that now the Steamer City of Detroit III has been chartered for use as a hotel during convention week. This virtually means adding another Ponchartrain to Detroit's list of hotels as this boat is equal in accommodations and cuisine to the very best hotels of the country.

The boat is the final word in passenger boat construction and the largest and best steamer afloat on fresh water. Arrangements have been made in case of hot weather to run the boat up into Lake Ste. Claire at 1:00 o'clock in the morning, returning to her berth after breakfast.

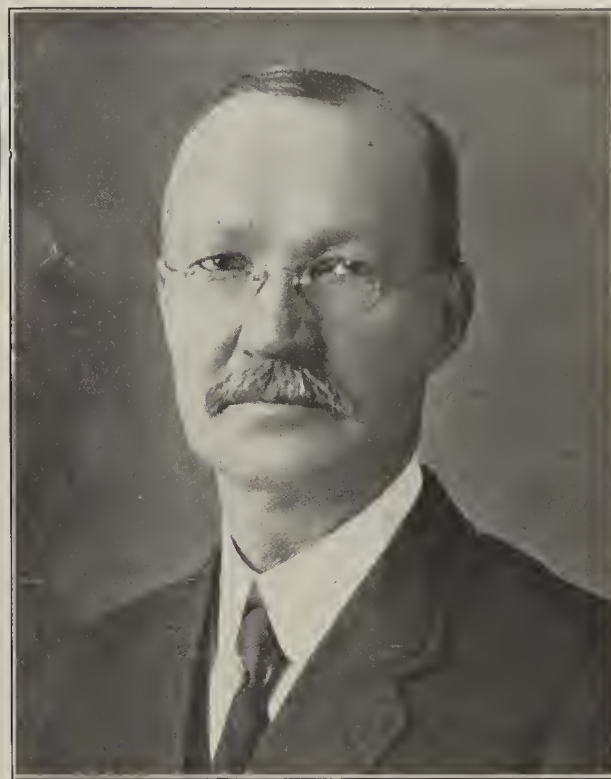
The City of Detroit III will be docked near the Wayne Pavilion, where the ball is to be held on Tuesday evening. This is within a very short distance of the Michigan Central and the Union Station and is 300 feet from the Woodward Avenue car line, four minutes ride from the Ponchartrain.

The general arrangement of cabins, passages, and staterooms is such that a very large portion of the ship has the best of natural

Prominent in Northwest Bankers Organizations



To the left is J. S. Pomeroy, of the Security National, Minneapolis, and vice-president of the Minnesota Bankers Association. He has attained his popularity and position by earnest faithful work in the ranks. He is a strong believer in the efficiency of organized effort.



To the right is Leslie Butler, of Hood River. He is president of the Oregon Bankers Association. Is a strong advocate of the farming and educational work along association lines.

ventilation. Where artificial circulation of pure air is desirable, a new system is installed by which rooms are continually supplied with washed air. On the three decks, the promenade, the gallery and the upper, are six hundred staterooms, and twenty-five parlors with private verandas. All staterooms on the ship are supplied with hot and cold running water, and telephones with all connections necessary for shore service.

There are still good accommodations to be had at the hotels but the chartering of the City of Detroit III makes it an assured fact that Detroit will give the delegates of the American Bankers Association the very best of accommodations.

F. A. CRANDALL RETURNS FROM EAST

F. A. Crandall, vice-president of the National City Bank of Chicago recently has returned from a vacation in the East. He spent a portion of his time in northern Vermont. He says that the hay crop in that state, which represents quite an industry, will yield about the average this year. The weather has been cold and dry and the people are a little bit afraid that the crop may fall off to some extent on

account of this factor. The deposits of banks in that section of the state which Mr. Crandall visited are a little bit above normal. The banks seem to be pretty well loaned up, with good rates prevailing.

To Minneapolis

George M. Reynolds, president of the Continental and Commercial National, will go up to the big agricultural conference at St. Paul and Minneapolis on Wednesday and Thursday of next week. This is a good omen for the great cause which was set upon its feet in a modest way by Joseph Chapman, Jr., of Minneapolis. President B. F. Harris of the Illinois association, who is vice-president of the conference, also will attend. Bankers and delegates will go up by the C. & N. W. at 6:45 P. M., Tuesday evening, the 6th.

BANK PRESIDENT DEAD

Daniel Staley, president of the Loami (Ill.) State Bank, died on Wednesday. He was president of the bank for fifteen years and was well known in the community in which he lived.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President	JOHN JAY ABBOTT Vice-President	GEO. B. CALDWELL Vice-President	CHARLES C. WILLSON Cashier	FRANK H. JONES Secretary	WM. P. KOPF Assistant Secretary
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

We Can Assist Bankers to Increase Their Foreign Exchange Business

If you desire to increase your foreign business, write us and we will send you practical suggestions as to how this can be done. Address, Department 23,

Knauth, Nachod & Kühne International Bankers

15 William Street
NEW YORK, N. Y.

LEIPZIG
GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depositary

Capital	- - -	\$2,000,000
Surplus and Profits	- - -	600,000
Deposits	- - -	27,000,000

Comparative Showing of Deposits

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
March 7, 1911	.....	21,574,956.79
June 7, 1911	.....	23,137,746.88
September 1, 1911	.....	24,500,075.82
December 5, 1911	.....	25,445,199.89
February 20, 1912	.....	26,207,446.32
April 18, 1912	.....	27,287,752.30

WM. A. TILDEN, President	
NELSON N. LAMPERT, Vice-President	J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier	
GEORGE H. WILSON, Ass't Cashier	CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier	WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.	

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN	- President
JOHN FLETCHER	Vice-President
GEO. M. BENEDICT	- Cashier
J. C. MORRISON	Assistant Cashier
H. P. GATES	- Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

CHICAGO has suffered a real loss in the death of B. M. Chattell. Since January he had been in ill health. The end came on Saturday last, the cause being general breakdown.

WE hear that Sol. Wexler has been browsing around to see how the land lays on the chairmanship of the Big Council at Detroit.

MR. WEXLER was "out for it" at New Orleans, but it was the wrong year, organically and geographically. He would have retired earlier had he read the signs aright.

HIS foxy contemporary from Albany, New York, was the more crafty. The New York delegation hadn't been on the ground two hours until Ledyard Cogswell saw the situation, and tendering his support to Mr. Reynolds, cast his castor into the ring for 1913. That gave him a sort of running start.

SINCE then powerful Pennsylvania interests have been pushing Joseph Wayne, Jr., of Pennsylvania, and later the South Central states got in behind C. T. Davis of Cincinnati. Should Mr. Wexler's friends enter him in the race it will give added interest to the friendly, good-natured contest.

TWO or three gentlemen have been talking about the treasurership, but no real entries are expected, for it has been customary to hold that office two years in succession. Arthur Reynolds is the only exception and he gave it up at New Orleans because he was elected chairman of the council. J. Fletcher Farrell of Chicago, often referred to as "the most popular young banker of the West," holds the treasurership now and will be re-elected.

ABOUT rooms at Detroit! There is no cause for worry, as through Col. Farnsworth the hotel managers have assured us that they will be ready for those on the big Chicago-Train-De-Luxe on Sunday, September 8th. They now say they could have been ready on Saturday even. Don't go as late as Monday evening unless you want to miss a lot of fun provided for Monday. Members of council and committeemen of all kinds should arrive Sunday evening to be "in it" at all.

GUARANTY TRUST, New York, has adopted a style of dress for the various departments. Here is what the poets' department wrote about one of the divisions:

WELL, here we are. Aren't we fine?
How do you like the new design?
The Transfer Clerks are all the rage;
Perhaps you've noticed in the cage
The men are garbed in coats of tan,
Look at the coat, not at the man.
These coats are bright, without a spot,
Look for a fault, you'll find it not.

IN Davenport, Iowa, there are eleven banks with a total capital, surplus and undivided profits of \$4,076,230; deposits approximately \$30,000,000. There are over 40,000 individual accounts in Davenport banks.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

SAFE FOR SALE

Large modern Hall safe; two doors; four compartments; inside and outside combinations and triple time locks; suitable for bank or large business house. Good as new. Will make great sacrifice. Address

B-6, Care of Chicago Banker

HENRY W. YATES, president of the Nebraska National of Omaha, and Mrs. Yates spent two weeks in July making an automobile trip to their old home at Columbia, Mo., where they were married fifty years ago.

MR. YATES already had left there as a young man to locate in St. Joseph, Mo., and two years after their wedding they went to Omaha, where Mr. Yates has been in the banking business ever since. This was their golden wedding trip to the old home, although the actual celebration occurred earlier in the year.

J. FLETCHER FARRELL and family have returned to Chicago from a month "back in good old Missouri," in the neighborhood of Columbia, which city Mr. Farrell says has doubled in population in ten years.

HE also says the Columbia College is second to none and holds high rank among American educational institutions.

A SHOT at a clay pigeon is a success when the target blows up. A one-line paragraph, ending in an innocent looking little question mark is a bull's eye under similar conditions.

WARE & IELAND say: "With the exception of the political outlook, which is still in such a chaotic state that it is difficult at this time to form any reasonable opinion, general conditions continue good. Such reports coming to hand regarding mercantile business throughout the country are encouraging, despite the hesitancy that is naturally felt during a political campaign, and the possibilities of considerable changes in the tariff with the incoming of a new administration. However, taking everything into consideration, we continue to feel that underlying conditions are good, and that, while no big bull market can be expected in the immediate future, nevertheless we think securities bought on reactions will prove profitable."

LITTLE wonder that the Kansas City-Council Bluffs concern got hot when we suggested that the leading chapters of the A. I. B. gladly would furnish "bank help" of the highest type at not only no cost to the bank but at no cost to the applicant.

THEY had secured the good will of a state secretary by a tender of free delegate badges for his state convention and accepted their "free service" offer of bank help for member banks, also at par. Here's where the shoe pinches.

ON the application blank which applicants for positions sign is the following "colored man in the wood-pile." It reads:

"I AGREE to conduct all the correspondence through you concerning the offerings of positions that you submit, and to pay you a fee in event you furnish me information or are otherwise instrumental in securing me a position in accordance with your schedule of fees as follows: Position of cashier, \$100; assistant cashier, \$75; bookkeeper or clerk, \$50; same to be due and payable on my acceptance of the position. * * * No fee or expense unless position is accepted. I also agree to treat all information strictly confidential and not impart it to others."

ABOVE only is a sidelight and bears out what, unsupported, might have been regarded as harsh comment. The extract quoted above was enclosed in a letter written over the "president's" signature.

SECRETARY WM. B. HUGHES has nailed the biggest of the recent "cards" for his convention. J. A. S. Pollard of Ft. Madison, Iowa, will speak on "Soil Culture." If Joe can repeat his Springfield success of last year Hughes will be congratulated by everyone.

SOME of our biggest bankers do not appreciate, as yet, the really big issue dug up by Joseph Chapman, when he resurrected
(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Croshy	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS		
A. G. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



**ARE YOU ON INTIMATE TERMS
WITH YOUR CHICAGO CORRESPONDENT?
OUR CUSTOMERS ARE WITH US!**

WE WOULD BE PLEASED TO EXTEND
TO YOU THE SERVICE WHICH HAS WON
FOR US THIS ENVIABLE STANDING.

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Wisconsin Legislation on Agricultural Teaching

If this paper were to be restricted to the narrow limits of the title printed in the program, a very few words would suffice. The Wisconsin legislature in 1911 enacted its first and only law pertaining to agricultural teaching in high schools. By the provisions of this law any high school in the state offering instruction in agriculture is entitled to receive from the state treasury an annual subsidy of \$250.00, provided this instruction is given in the high school only, and \$350.00 if such instruction is extended to include the three grades next below the high school. No attempt will be made, however, to limit this discussion to this particular law. With your leave we will raise one or two important questions relative to agricultural teaching in Wisconsin which seem to us at this time to be especially pertinent.

Eleven years ago this state committed itself to the policy of establishing special county schools of agriculture and gave the movement handsome stimulus in the way of an annual subsidy of \$4,000.00 to each school. This amount was, by the last legislature, raised to from \$6,000.00 to \$8,000.00, depending upon the average daily attendance in these institutions. Under this law, seven such institutions have been established and five of them have been doing active work for half a dozen years. The character of the work done by these schools, the class of students which they attract who would not now be in any other school, and the general results obtained, fully have justified the wisdom of the legislature in providing for their establishment. These schools have pioneered the way, developed and organized the subject matter, created an atmosphere favorable to agricultural teaching throughout the state and convinced the public that such instruction should have a place in our secondary educational system. We now are ready to move on, and the rapidity with which high schools are developing courses of study in agriculture is abundant evidence of a widespread sentiment in favor of such instruction.

Up to the present time there has been little necessity for a law fixing qualifications for teachers of this subject, but with the rapid increase in the demand for such teaching and the strong probability of many unskilled and unprepared teachers being attracted into this new field, early attention should be given to this important matter. A law is needed in this state that shall define the sort of preparation which teachers of agriculture should make and that shall induce school boards to employ only those who are fully competent to teach. This can be effected by giving a larger amount of state aid to schools employing the best prepared teachers and doing the most efficient work. A similar law now is operative in Minnesota and this matter should receive early attention at the next session of the Wisconsin legislature.

Our county schools have taught us the value of extension teaching by a competent man resident in the country. This work usually is done by the principal of these schools in so far as his other duties will admit. But there are counties having no special schools of agri-

K. L. Hatch, head of the agricultural extension department of the State University, in a fine talk before the bankers at the Milwaukee convention. Qualified teachers the one great problem. Views on bills now before congress

culture which can not afford the expense of providing such an institution or which do not care to risk the outlay. Many of these counties would be glad to employ a traveling teacher who could be attached to a local school, like a county training school for teachers, and who would give time during the winter months to the instruction of farmers' sons in a local short course in agriculture and during the rest of the year to itinerant instruction. In fact, three counties in this state have already made such an arrangement and four others have negotiations now pending. The results already obtained in Oneida county, the first one to create such a position, are exceedingly gratifying and justify an extension of this work on a state-wide basis. A recent editorial in the Rhinelander News says:

"Reports from all sections of Oneida county show a great and valuable increase in interest, enterprise and energy in farming, and it is assured now that the area planted in corn and potatoes will be at least 50 per cent larger than last year, while the clover crop will be fully double that of 1911.

"In another column will be seen reports of large land sales in this and neighboring counties, indicating the attention being given by would-be settlers and farmers to this locality which has proved its worth so clearly and forcibly by actual results in recent years.

"Much credit must be given the state agricultural department for its part in aiding Northern Wisconsin through the agricultural school inaugurated here last year and special praise must be given the County Representative, E. L. Luther, for his enthusiastic and skillful work in and for the county.

"Since Mr. Luther came there has been a steady increased interest in scientific methods of farming, as the settlers have been shown how much more can be obtained by right methods than by the old careless, haphazard methods. Now farmers are actually tearing up the soil and preparing it for new crops, not being satisfied to see their neighbors pass them. The county is filling up rapidly, new settlers are coming every week and more land sales are expected this summer than ever before."

This indicates the possibility of such work in the newer portions of the state, and the opportunities for such teaching in the developed section are equally great, though results doubtless will be much harder to obtain.

The Lever Bill, now before congress, provides for the expansion of this work on a nation-wide scale and a provision of the Page Bill, another federal measure, has the same purpose in view. We now have arrived at a point in this state where further development

of the county representative plan must receive legislative encouragement. A statute is needed which will enable counties to institute this work and which will provide funds for its permanent establishment. There are, then, the following measures which should receive encouragement from the Wisconsin Bankers Association if they desire to aid in the agricultural development of the state and believe in education as a means to this end.

First: A measure fixing the qualifications of teachers of agriculture at a standard sufficiently high to insure adequate preparation.

Second: A measure recognizing efficient preparation in teachers of agriculture by larger subsidy for schools employing such teachers.

Third: A measure accepting the county agricultural representative plan as a policy of the state and providing for its expansion to meet existing demands.

If these things ultimately will increase the agricultural prosperity of Wisconsin, they should receive no uncertain support from this association as a whole and from each one of its members individually interested in his own rural community."

WILLIAM G. EDENS AT WISCONSIN CONVENTION

From the stenographic report of the Wisconsin Bankers Convention, held at Milwaukee last week, we make the following interesting extract:

William G. Edens, Chicago, assistant secretary Central Trust Company of Illinois and secretary of the committee on Agricultural and Vocational Education of the Illinois Bankers Association: Mr. President, I will make a brief statement only on this subject of agricultural development and education with reference to conditions in Illinois. The members of the Illinois Bankers Association felt that the state was lagging in this respect and two years ago the association created a committee on agricultural and vocational education, and a year ago a committee on good roads was appointed, and I want to testify here this morning, as a good Methodist, that we have never had anything in the work of the Illinois Bankers Association, considering the matter of each individual's love of having his deposits grow, and seeing the comparative statement of his bank with his neighbor's bank show to advantage, that so interested the banker as the matter of agricultural development and education and the work for improvement of our roads.

Last winter, under the call of B. F. Harris, our president, a meeting was held at the University of Illinois, and a committee of bankers and educators was appointed to draft a new educational bill, looking to the promotion of the study of agricultural and vocational pursuits. Illinois as a state is nearly 100 years old; nevertheless, the elements of agriculture have never been taught in any of the 10,000 one-room school buildings of the agricultural communities.

Furthermore, we suggested that provisions should be made for instruction in domestic science or home making for the girls. Then, realizing that in the industrial centers it is the

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son and daughter of the working man that provide the attendance for continuation schools for industrial training, or for manual training, the teaching of the hand to do the useful thing, this committee sought to provide proper, thorough, practical instruction along this line. We meet again the 31st of this month at Springfield to present a final draft on this subject; and we have invited to join with us the representatives of the trade unions of the state, because in Chicago and in the industrial centers outside of Chicago, in our mining and manufacturing communities, the working man and the son of the working man is recognized; and it is the duty of the banker to recognize him and to take the working man into our confidence and into our counsels. We feel we would rather have the co-operation of the representatives of the trade unions now than their criticisms and opposition later on.

When we had our meeting at Champaign we were fortunate in having with us a gentleman who, like Prof. Munroe, had gained from practical teaching valuable experience in agricultural training in the Minnesota high schools. I refer to Prof. Sexauer of Albert Lea, who had three years' experience in agricultural high school work. He showed us what he had accomplished, but the sad thing about this is that he was then considering a commercial offer from a seed selling concern, offering him a larger salary to take his superior knowledge that the agricultural college had given him and go into the commercial life of the nation. Our state gave him a tentative offer of a like salary to come to the Illinois Agricultural College. This matter of developing an efficient agricultural teaching force is important and must keep step with the demand.

Your University of Wisconsin has sent a message to the American people that your agricultural college is progressive and aggressive; and many of the adjoining states are looking to you to furnish us this new teaching force. If to-day Illinois had to have a supply of this kind of teachers to introduce the proper study of agriculture, we would turn first to Wisconsin. What Prof. Munroe said about the increase in bank deposits being 120 per cent in one locality in their central district, due to proper agricultural education of the farmer, is important, but Mr. Israel of New York has struck the key note to this whole matter in efficient agricultural training in the rural districts, which, let us hope, will eliminate the American hobo and the tramp. (Applause.)

In the city with manual training and continuation trade schools, let us hope we can eliminate the street corner idler and hoodlum.

Colorado Plans

Pueblo, July 29.—Charles G. Dawes, controller of the currency under the administration of President William McKinley, and president of the Central Trust Company of Illinois, a \$50,000,000 corporation, will be the principal speaker at the annual convention of the Colorado Bankers Association to be held in Pueblo August 19-21. Word to the effect that he had consented to accept the invitation of the association for an address upon important matters of the day, was received by G. F. Trotter, secretary of the bankers' association, this morning, from F. N. Briggs, president, of Denver.

Mr. Dawes will appear in Pueblo Monday, August 19, and his talk is scheduled for 7:30 o'clock in the evening. In order that the citizens of Pueblo may be afforded an opportunity to hear him, the committees in charge of arrangements for the meeting here have decided to engage a big hall for his appearance and a cordial invitation to the public will be issued. The exact topic of Mr. Dawes' speech has not been announced yet, but he has promised to talk on one or more of the big subjects of the present time.

An address also will be made at the same

time by John W. Springer, of Denver, who will respond to the speech of welcome by Alva Adams, of this city.

In connection with the barbacue of buffalo meat upon which the bankers are to be fed at one meal, a novel scheme has been devised. It is proposed to use the head, the hide and the feet of the buffalo for souvenirs and tickets will be given to each visiting banker. At the conclusion of the convention a drawing will be held and the first prize will be the mounted head of the buffalo, with silver engravings appropriate to the occasion, which will be worth no less than \$400. The second prize will be a tabourette, of which the legs and feet will be from the buffalo, while the third prize will be a buffalo robe made from the hide.

The invitation committee, of which Mahlon D. Thatcher, Jr., is the chairman, is extremely busy. Not only are the bankers of Colorado expected to attend en masse, but about 50 big financial men from outside the state are looked for. Invitations are to be sent to banks and bankers in all sections of the country and some 500 of the special requests for attendance will be issued. The committee, beside the chairman, is composed of W. L. Graham, C. C. Slaughter, W. K. Dudley, J. Q. Greene and H. E. Wheeler.

TO EQUAL EVERY DEMAND

President Perry of the National Bank of Commerce in Kansas City explains the recent absorption of another bank in a way that puts it 'way above personal ambition or sordid consideration, and makes it appear almost, if not quite, patriotic. He said: "We have been planning a consolidation for nearly two years. It has been our fond ambition to build up a bank with capital enough to handle the immense banking business of the Kansas City territory—to be in a position finally where no request for funds, be it ever so large, would stagger us. That is what we have achieved."

INTERNATIONAL DRY-FARMING CONGRESS

The seventh annual convention of the International Dry-Farming Congress will meet this year at Lethbridge, Alberta, Canada, October 21-26. Exhibits of dry-farmed products and machinery are expected from all over the world. Hon. Duncan Marshall, member of agriculture for Alberta, joins in the general invitation which has been sent out. President John A. Widtsoe, of the Agricultural College of Utah, is president of the congress.

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BANKERS APPOINTED AS DELEGATES

Governor Charles S. Deneen in filling out his quota of twenty delegates to the Trans-Mississippi Commercial Congress which will meet in Salt Lake City August 27th to 30th, took note of the fact that a number of well-known Chicago bankers will be in Salt Lake City about that time attending the annual convention of the American Institute of Banking. Among those remembered by the governor with a delegate certificate are William G. Edens of the Central Trust Company of Illinois, George A. Jackson and Harry S. Smale of the Continental and Commercial National and John W. Rubecamp of the Corn Exchange National. Mr. Edens is secretary of the committee on agriculture and vocational education of the Illinois Bankers Association and president of the Illinois Highway Improvement Association; Mr. Jackson is chief clerk of the big Continental and Commercial National and chairman of the transportation committee which will take the chapter members to the convention city. He also is an ex-president of the Chicago chapter; John W. Rubecamp is president of the Chicago chapter at the present time, and for years has been an active worker in its educational branch; Harry S. Smale was president last year and has been endorsed by the chapter for the chairmanship of the executive council to be elected at Salt Lake. Governor Deneen has selected four of the most active of Chicago's junior bankers, all of whom are ready and eloquent speakers and men of excellent judgment.

OUT-OF-TOWN VISITORS

Among the out-of-town bankers who called in Chicago last week are S. W. Reyburn, president of the Union Trust Company, Little Rock, Ark.; George L. Blackford, president State National Bank, Denison, Texas; L. L. Will, cashier Lowell Bank, St. Louis; William F. Kamps, cashier Outagamie County Bank, Appleton, Wis.; W. B. Taylor of Boatman's Bank, St. Louis; Amos Gipson, vice-president National Reserve Bank, Kansas City, Mo.; J. H. Bennison and H. W. Flint of the Union State Bank, Kewanee, Ill.; Latham Souther, vice-president Sangamon Loan and Trust Company, Springfield, Ill. Mr. Souther stopped in the city on his way to Castle Park, Mich. He is convalescing from a Texas-acquired case of typhoid fever, but expects to be in good shape for the Detroit convention.

Minneapolis Conference

Twenty-six bankers associations will be represented at the second annual conference of the state bankers associations on agricultural development and education, to be held at Minneapolis (also St. Paul) on August 7 and 8 next. Not only will they be represented, but they will be represented by men who will work and act. All members of state bankers' association committees on agricultural development and education who will attend this conference, and who naturally will pass through Chicago, should make reservations with the Chicago and Northwestern Railway, for the special cars provided for the occasion will leave Chicago on the evening of August 6th. Special provisions for their reception and entertainment have been provided for in both St. Paul and Minneapolis.

MILWAUKEE BANKS TO HAVE NEW HOMES

The new bank homes being erected in Milwaukee are so numerous and of such a character as to attract general attention from those who attended the sessions of the convention of the Wisconsin Bankers Association held in Milwaukee last week. The Marshall and Ils-

ley building is nearing completion as is that of the Merchants and Manufacturers and also the splendid new home of the Second Ward Savings, while the ground is being cleared and foundation plans are in progress for that of the First National. When these buildings are finished and occupied the banks in no other city of like importance will be better housed than will the larger Milwaukee institutions.

SIDELIGHTS ON THE MILWAUKEE CONVENTION

The Second Ward Savings, the First and the Wisconsin National kept open house at the Pfister, and the younger men of these institutions set a hot pace for entertainment. Hughes of the First National, Reddeman of the Wisconsin National and Pounack of the Second Ward are hard to beat.

The reception and dance at the Deutcher Club were greatly enjoyed by all who attended. The Milwaukee hosts are the most genial of entertainers.

The tally-ho ride given to the ladies was a most enjoyable affair. It consisted of a ride through the city parks and was followed by a mid-day luncheon at Lake Park Pavilion.

The inspection of the C., M. & St. P. car shops proved to be an entertaining and very interesting affair. The visitors were enabled to see in process of manufacture every article used in the operation of a railway system from the coupling pin to the complete locomotive.

W. K. Coffin, president of the Eau Claire National, entertained with stories in the headquarters of the Second Ward Savings in the Pfister, and made quite a hit in that capacity.

PYTHIAN CONVENTION

A large number of delegates to the twenty-seventh biennial session Supreme Lodge Knights of Pythias will leave Chicago Saturday, August 3d, on a special train over the Rock Island Lines. William G. Edens, assistant secretary of the Central Trust Company of Illinois, after attending the Pythian convention, will attend that of the Colorado bankers to be held in Pueblo August 19th and 20th, and from there he will go to Salt Lake City to be present at the national meeting of the American Institute of Banking, to be held August 21st, 22d and 23d.

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OF INTEREST TO NEW YORK PRIVATE BANKERS

Attorney-General Carmody in an opinion rendered this week to State Comptroller Sohmer ruled that the provisions of the general business law, exempting individuals or partnerships receiving money on deposits for safekeeping or transmission, where the average amount of each sum so received in the ordinary course of business during the preceding fiscal year shall not be less than \$500, make it incumbent upon claimants to the exemption to satisfy the state comptroller of the existence of such a state of facts, and unless and until the comptroller is so satisfied it is unlawful for such parties, without a license, to engage or continue in the private banking business.

And the opinion further holds that if, after engaging in business under this sub-division, the comptroller signifies his dissatisfaction with the evidence offered to establish this exemption, the right of the parties to continue such business without a license ceases. "While the comptroller may receive and consider evidence," says the attorney-general, "other than the affidavit required by the statute of the average amount of deposits, he has no power to compel persons doing or seeking to do business under the law to submit to an examination with respect to the nature and extent of their business, or to compel the production of their books and papers for examination."

This opinion on private banking over which the state comptroller exercises broad jurisdiction was the result of a misunderstanding on the part of metropolitan private bankers of the functions and powers of the state comptroller.

August Blum

August Blum, vice-president of the First National of Chicago, has returned from a vacation spent in Germany. Speaking in regard to the financial situation in Europe, Mr. Blum says there is no cause for uneasiness; conditions are good. He also says that Germany is prosperous and making money.

NEW STATE BANK

Albany, N. Y.—The Farmers and Mechanics Bank of Bath, N. Y., with a capital of \$50,000, has filed articles of incorporation with Superintendent Van Tuyl of the state banking department. The Bath bank will take over the private bank of Frank Campbell, former state comptroller, who will continue with the organization as a director and head of the new institution. The other directors are: Reuben R. Lyon, Wilson R. Campbell and Fred R. Webster, of Bath, and Henry Frey, of Hammondsport.

MONEY TO CHARITY

New Castle, Pa.—Maintaining his opposition to the Standard Oil trust and all it stands for, even after death, Thomas W. Phillips, of this city, banker, philanthropist and the largest independent oil producer in this country, wills money to institutions for education, provided no financial aid is ever accepted from John D. Rockefeller or from any fund he establishes. Mr. Phillips' will was probated, disposing of an estate of more than \$2,000,000. He gives \$30,000 to the University of Oklahoma, provided it never asks or accepts aid from Rockefeller or any educational fund he establishes. If it does, the bequest is to go to the board of ministerial relief of the Christian Church denomination. A \$5,000 bequest is made to the board of women's missions of the same denomination, under similar conditions. Mr. Phillips, during his life, opposed religious and educational institutions accepting aid from Rockefeller upon the allegation that it was "tainted."

CANADA FOR GOVERNMENT INSPECTION OF BANKS

Canada's banking act may be revised this year as a result of altered conditions since the last decennial revision. There is a strong agitation for government inspection of all banking institutions, but this is not likely to be granted. The principal objection is that in the event of failures of banks so inspected an attempt might be made to make the government financially responsible. Additional safeguards, however, are proposed by providing an independent audit by the shareholders apart from that of the management and also in increasing the personal responsibility of directors. It is proposed to make the currency more elastic by enabling banks to increase their circulation to within fifteen per cent of paid up capital and reserve combined.

DETROIT BANK FORMALLY OPENED

The Peninsular State Bank, Detroit, Mich., received its friends Monday in its new building on Fort Street, which has been formally opened for business. For the beauty and completeness of the new quarters the officers are receiving many congratulations.

BOGUS DRAFT FOR \$10,000

Seattle, Wash.—A forged \$10,000 draft, purporting to bear the signature of R. C. Vandervort, cashier of the United States National Bank of Aberdeen, drawn on the First National Bank of Seattle, was presented for payment this week but the forgery was immediately detected and the draft returned unpaid. The forgery is the largest Seattle bankers have encountered for a long time.

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INVESTMENT BANKERS' PROGRAM AT NEW YORK

Western members of the proposed Investment Bankers Association of America will leave Chicago on the 20th Century Limited, Lake Shore, at 2:30 p. m., August 7th. Most of the letters sent out have had favorable response. George B. Caldwell, chairman of the organization committee, likely will go down in history as "the father of the section." Some of the youngsters already are calling him "Papa."

The program for the meeting August 8th at the Waldorf-Astoria provides that at 10 o'clock a. m. the secretary's office will be open at the Waldorf for the registration of delegates.

At 10:30 o'clock a. m. the meeting of the organization committee will be held in the Astor Gallery.

At 2 o'clock p. m. the convention will be called to order by Chairman Geo. B. Caldwell. Report of the organization committee submitted. Appointments will be made of the following committees: On credentials; on constitution and by-laws; on nominations. The convention during the afternoon will be addressed by prominent men on subjects pertaining to the bond and investment business.

At 6 o'clock p. m. there will be a banquet at the Waldorf, after which the reports of the committees will be received, followed by the election of officers.

IMPROVING AGRICULTURAL METHODS

The Kentucky State Bankers Association is co-operating with Commissioner of Agriculture Newman in a campaign for larger crops and the raising of more live stock in Kentucky. The idea is to put an agricultural expert in every county in the state to advise the farmers as to the best methods of obtaining results. If a farmer made \$1,500 in 1911, he is to be guaranteed at least that amount of profit under the new system. If he clears more than that amount, he is to be entitled to the extra sum. The movement means larger crops in the future, with a more general prosperity. Railroads also are assisting with the project.

CANADIAN BANK MERGER

Ottawa.—It is reported that objections are to be made to the treasury board against the pending merger of the Royal Bank of Canada and the Traders Bank, which has been unanimously approved by the stockholders of both banks. The matter will not come before the treasury board for approval for two weeks. The objections which have not been formally made, are said to emanate from Toronto individuals and are not regarded seriously in official circles.

ARKANSAS BANKS TO MERGE

The Citizens Bank and the First National of Fordyce, Ark., have just completed an arrangement by which the two institutions will be merged under the name of the First National, with a capital stock of \$100,000 fully paid up. J. E. Hampton, now president of the Citizens Bank, will become president of the First National, while J. A. Abernathy and F. T. Hunter, vice-president and cashier, respectively, of the First National, will continue in their same positions.

New Members

The new members of the Big Council taking office at Detroit this year include some very prominent names. So far as officially reported, the states will be represented as follows:

Georgia, Joseph A. McCord, vice-president, Third National, Atlanta.

Idaho, J. E. Clinton, Jr., vice-president, Boise City National, Boise.

Iowa, D. H. McKee, vice-president, German Savings, Davenport, and H. M. Carpenter, president, Monticello State, Monticello.

Kansas, E. E. Ames, vice-president, Central National, Topeka.

Maine, E. S. Kennard, cashier, Rumford National, Rumford.

Massachusetts, Downie D. Muir, vice-president, First National, Boston, and William A. Mackie, (Contingent) cashier First National, New Bedford.

Michigan, Dudley E. Waters, chairman of the board, Grand Rapids National City, Grand Rapids.

Minnesota, Joseph Chapman, Jr., vice-president, Northwestern National, Minneapolis.

Missouri, J. S. Calfee, cashier, Mechanics-American National, St. Louis, and A. D. Buckner, (Contingent), cashier, Paris National, Paris.

New Jersey, H. G. Parker, (Contingent) president National Bank of New Jersey, New Brunswick.

New York, Walter H. Bennett, vice-president, American Exchange National, New York.

Pennsylvania, D. C. Wills, cashier, Diamond National, Pittsburgh.

Tennessee, Jo. L. Hutton, president, Phoenix National, Columbia, and D. M. Armstrong, cashier, Commercial Trust & Savings, Memphis. (One of these nominations is on a contingent basis.)

Texas, W. F. McCaleb, president, West Texas Bank & Trust Company, San Antonio.

Washington, W. D. Vincent, (Contingent) cashier, Old National, Spokane.

Wisconsin, E. M. Wing, (3 years) vice-president, Batavian National, La Crosse, and F. J. Carr, (2 years) president, Bank of Hudson, Hudson.

WILLIAM T. FENTON ON FINANCIAL AND BUSINESS SITUATION

William T. Fenton, vice-president of the National Bank of the Republic, says that there recently has been a decided revival of business and an active demand for money. The minimum rate prevailing to-day is about 5 per cent. There has been a good demand at from 5 to 6 per cent. Business in every direction seems to be expanding. Apparently there is a shortage of labor. The mills are all running to full capacity, and the general outlook is very favorable.

C. G. Fisher

C. G. Fisher, chief clerk of the Harris Trust and Savings, has just returned to the city after an absence of two weeks in Detroit.

NEW ILLINOIS BANK

The Centralia Trust and Savings Bank is a new financial institution which is being organized at Centralia, Ill., and which was granted incorporation papers on Wednesday. The incorporators are J. F. Mackey, A. J. Guerrettaz, Max Prill, J. J. Bundy, H. G. Cormick, R. J. Birge, E. L. Welton and others. The bank will be capitalized at \$50,000, will be directly under state supervision and will do a general banking and trust company business with a popular savings department. The stock has practically all been subscribed and it is expected that the new bank will be ready for business by September 1st or shortly thereafter.

THOMAS S. GATES

Thomas S. Gates was chosen president of the Philadelphia Trust Company, and elected a director of that institution at a meeting last week. He becomes the administrative head October 1st. The institution is one of the largest of its kind in Philadelphia, and financial circles have been curious to know who would be elected to the presidency. Mr. Gates has been for the past two years vice-president of the Pennsylvania Annuity Company, and was previously its trust officer.

CHICAGO VISTORS

George W. Telling, cashier Commercial Trust and Savings Bank, Granville, Ill., visited Chicago yesterday. He says crops are looking fine. General prospects for business are good, business being little affected by the political situation.

BANK CLOSED

Washington, D. C., July 31.—The First National Bank of Rowlesburg, W. Va., has been closed by National Bank Examiner Blanchard E. Eliatt, who to-day reported to the comptroller of the currency that serious irregularities had been discovered.

Alex Livingston of Livingston, is preparing to engage in banking at Belgrade, Mont., as cashier of a new bank to be started.

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ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.



Every attention is extended by the Chicago Savings Bank and Trust Co., to financial institutions not only in handling their accounts, either active or inactive, but also in assisting them in the selection of sound investment securities. The facilities of our Bond Department are most complete.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President WM. M. RICHARDS, Asst. Cashier	OFFICERS EDWARD J. PRESCOTT, Secretary JOHN C. ARMSTRONG, Asst. Secretary	F. O. BIRNEY, Asst. Secretary H. T. SIBLEY, Mgr. Bond Dept. H. L. SCHMITZ, Mgr. Real Estate Loan Dept. WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

The Joliet News of July 25th says: "Joliet is the financial Mecca of the United States. Ever since the incorporation of the Woodruff Trust Company the money centers of the country have been in a whirl, and the 'big guns' continue to crowd telegraph wires and the mails with inquiries for information.

"Representatives of great banking institutions and of great capitalistic investment groups from far and near have beaten tracks to Joliet to learn about the first farm loan bank in America. Editors not only of financial magazines, but also of great laymen's journals have contributed their requests to the mail bag of the Woodruff Trust Company. There seems to be no end of the seekers for information. Every day another inquirer jumps off a train and hurries to the Woodruff Trust Company. Every day the telegraph and post increases the pile of correspondence.

"Joliet is known in every nook and corner of the financial United States. It seems that every big financier in the country is contemplating the organization of an institution similar to the Joliet farm loan bank. While the Woodruffs expected to excite great interest when they sprung this financial wonder, they did not perhaps count on such tremendous activity among their brethren elsewhere. But the interest grew so rapidly and so great that both President George Woodruff and his brother Fred canceled their contemplated Alaskan trip in order to confer with European bankers, and therefore will leave in a few weeks for London for a conference. They will submit their plan and legal documents for criticism and suggestion. About September 1st they will return to America."

New Moline Bank

The directors of the Commercial Savings Bank, Moline, which is to open its doors for business about September 1st, met on Thursday of last week and elected the following officers: president, John Weckel; vice-president, John Schmidt; cashier, R. M. Johnson.

Bank of Galesburg Has New Building

The Bank of Galesburg building which is nearing completion is one of the most ornate structures in that part of the state. The new banking rooms will resemble a palace and are finished in Vermont white marble. The same marble work is used on the upper floors and the different offices and suites are more elab-

orately finished than anything in Galesburg. There are two passenger elevators in front of the building and a freight elevator will add to the equipment. The second floor apartments are all rented and there is a good demand for suites on the other floors of the building. It will probably be three weeks before the interior is ready for occupancy. When the building is complete the bank people will have an informal opening or reception at which time the general public will be shown through the building.

Quincy Bank to Build

The Illinois State Bank at Quincy expects to erect a new building in the near future which will be modern in every respect. Purchase of property for this purpose has already been made.

Bank Closed by Run

Johnson & Co.'s bank at Annapolis, Ill., closed last week. The deposits amounted to \$50,000. When a run on the bank started, Roscoe Kennan, cashier, saw that they could not meet the demands and closed the doors. President Joseph Johnson is absent. The bank was supposed to be prosperous. It carried big contracts for the Ohio Oil Company. A new bank is being organized and this seemed to discourage Johnson & Co.

Henry Peterson has been appointed cashier of the Farmers Bank of North Henderson. C. C. Craig, president of the Bank of Galesburg, is also president of this institution and has shown his excellent judgment in making his selection of one so well and favorably known to the business men of this vicinity as

well as to the business men of surrounding territory in Mercer county.

The Peoples Bank at Palmyra now occupy their new brick building on the south side of East State Street. The structure is a very neat one and adds much to the town.

Henry Speckman, 60, prominent in banking circles of Chester since 1875, and president of the Bank of Chester, died Tuesday.

H. L. Black, president of the Hapgood Plow Company and the First Trust and Savings Bank of Alton, has received a telegram announcing that his son, Wilmot Black, 21 years old, was killed in an accident at Dole, in the Alpine Province of Jura, France. The young man had finished his first year at Yale this summer and had started about June 1st to tour Europe by motor cycle.

Organization for a new bank at Camden will be completed soon.

Educational Conference

President B. F. Harris of the Illinois Bankers Association has called a meeting to be held in Springfield, Wednesday, August 14th, at the Leland Hotel, for a conference on the subject of a model school law and system for Illinois.

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Established 1864	
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RESOURCES
\$4,000,000.00

ESTABLISHED
1864

FIRST NATIONAL SERVICE

Is known in every State in the Union, but more particularly in the State of Illinois. If you want your business attended to accurately, rapidly and satisfactorily,

Open an Account at the "First of Joliet"

Accounts of Banks, Firms and Individuals solicited.

George Woodruff, President
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Andrew H. Wagner, Vice-President
William D. Moore, Vice-President
Henry O. Williams, Cashier
George Erb, Secretary
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JOLIET, ILLINOIS

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To Net 5½ to 6 per Cent

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ESTABLISHED 1882
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NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



CONVENTION GREAT SUCCESS

Bankers who attended the session of the Milwaukee convention held last week are unanimous in their opinion that the affair was a great success. Among those present from Chicago were the following: John F. Hagey, assistant cashier of the First National; Lucius Teter, president of the Chicago Savings Bank and Trust Company; H. L. McKee of the Fort Dearborn National; J. Fletcher, vice-president of the Drovers Deposit National; G. F. Emery, cashier of the Live Stock Exchange National; John R. Washburn, assistant cashier of the Continental and Commercial National; M. A. Graettinger of the Live Stock Exchange National, and Messrs. Hieronymous, Wacaser and Koch of the Harris Trust.

GETS DAILY BALANCE QUICKLY

The Second National Bank of Cooperstown, New York, recently purchased an adding machine which enables them to take old and new balances in an unusual way. The machine is really two machines under one keyboard, each operating independently of the other. The old balances are accumulated on one set of adding wheels and the new balances on the other set, both from the same keyboard at the same time. A shuttle carriage automatically moves the balance sheet back and forth so that the old balance is printed in one column and the new balance alongside, both balances added at once, and each limited only by the capacity of the keyboard. The machine, built by the Burroughs Adding Machine Company, is, of course, adapted to all regular work and the special features gives it a very wide range of work.

The Bank of Keysport, Ill., has changed hands. It has been sold to the Merchants State Bank of Centralia, who have taken possession. E. S. Ackerman, the cashier, will remain at the bank for a short while, after which he will go to Centralia to take a position with the Merchants State.

Indiana

Work has been begun preparatory to the erection of a new addition to the Indiana National Bank building of Indianapolis, which, it is estimated, will involve an expenditure of approximately \$100,000. The building improvements, according to Frank D. Stalnaker, president of the bank, are necessitated by the recent consolidation of the Indiana National Bank and the Capital National Bank. Plans for the addition have been prepared. The new addition is to conform in practically every detail to the architecture and general construction of the present one-story Bedford stone building, which is of classic design. Through a recent deal the banking institution acquired an additional tract with a twenty-five foot frontage adjoining on the south on Pennsylvania Street and an irregular shaped site with a frontage of fifty-five feet, six inches, on Virginia Avenue. The deeds for the purchase of the property have not been recorded, but the bank officials say that the purchase has been

made through Volney T. Malott, who controlled both sites, at a consideration near \$100,000. Mr. Malott is chairman of the board of directors of the banking firm. The plans provide for extensive heating, ventilating and telephone systems. The building is to be heated with steam and washed air for ventilation.

The Hamilton National Bank at Fort Wayne has announced that it will soon begin the erection of a twelve-story building at Main and Calhoun streets. The bank has just acquired the last section of a piece of property there. The highest building in the city at the present time is nine stories.

The comptroller of currency has issued a charter to the Citizens National Bank of Mulberry, Ind., a new banking institution with \$50,000 capital. James M. Sims will be president and George H. Miller cashier.

WEST VIRGINIA BANKER PASSES THROUGH CHICAGO

Oscar C. Wilt, vice-president and cashier of the First National Bank of Salem, West Virginia, passed through Chicago on Thursday of this week en route to Denver, where he will attend the twenty-seventh biennial convention of the Supreme Lodge, Knights of Pythias. Mr. Wilt said that business conditions are satisfactory in West Virginia, and that the prospects for crops are very favorable. He also said that the mining and manufacturing interests are running full time.

RICHMOND BANK MERGER

Richmond, Va.—Directors of the First National Bank and of the National Bank of Virginia have voted to merge the institutions under the name of the First National Bank, making capital stock \$2,000,000, with \$900,000 surplus. The National Bank of Virginia will go into voluntary liquidation. Stockholders will meet August 29th to ratify the directors' action.

GRAHAM & SONS

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Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.
661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The mid-summer lethargy in Milwaukee banking affairs was enlivened on Saturday, July 27th, by the announcement of the purchase of the good will and business of the Milwaukee National Bank, one of the oldest institutions in the state, by the First National. The consolidation means that the deposits of the First National which were \$19,601,238 at the time of the last statement on June 14th, will be increased by an even \$3,000,000. It also means that the bank has taken the fifth step in a little more than a year to place itself at the head of Milwaukee financial institutions. In February, 1911, the bank absorbed the Milwaukee and Fidelity Trust Companies into a subsidiary company known as the First Savings and Trust Company, and followed up its move with an increase of \$500,000 in capital. A few months later property was purchased and plans formulated for the sixteen-story building, now in course of construction. Last week the capital was increased from \$2,500,000 to \$3,000,000, the announcement of which was followed three days later by the announcement of the purchase of the Milwaukee National. The material assets of the older institution, consisting of \$700,000 in cash and \$3,000,000 in securities were quietly transferred Sunday afternoon under police guard to the First National building, after which the combined staffs of the two banks put in the hardest day and night of their lives over the ponderous task of assimilation. Things were in such shape Monday morning, however, that the

combined business of the two institutions was transacted smoothly from the purchasing bank without a hitch.

History of Milwaukee National

The Milwaukee National is one of the oldest banks in the state, being established under the name of the State Bank of Wisconsin in 1853. In 1865 the institution was reorganized under the national bank law as the Milwaukee National Bank of Wisconsin, with a capital stock of \$250,000. Charles T. Bradley, pioneer shoe merchant, was its first president, with J. H. Inbusch vice-president, and T. L. Baker, cashier. The bank continued in the same building occupied by its predecessor and has retained its original quarters throughout its history, in the old limestone block at Michigan and East Water Street. In the first year of its existence the bank's deposits were \$306,000. These increased in the first fifteen years to \$1,318,000. In 1893 after the financial panic the capital stock was increased to \$450,000, at which figure it has remained. President George W. Strohmeyer became head of the institution a number of years ago, succeeding J. H. Inbusch. Other officers are: Vice-presidents, L. M. Alexander, Carl Penschorn; cashier, William Filter; assistant cashiers, J. F. Strohmeyer, B. V. Dela Hunt; directors, George W. Strohmeyer, L. M. Alexander, Carl Penschorn, J. F. W. Inbusch, Ferdinand Meinecke, William Filter and John F. Strohmeyer.

First National Officers

Officers of the First National are: President, Fred Vogel, Jr.; vice-presidents, William Bigelow, F. T. Goll; cashier, Henry Kloes; assistant cashiers, Oscar Kasten, A. W. Bogk, E. J. Hughes; directors, Walter Alexander, Charles Allis, John I. Beggs, William Bigelow, Robert Camp, D. C. Green, Howard Greene, Nathan Glicksman, F. T. Goll, A. K. Hamilton, H. August Luedke, Stuart H. Markham, George P. Mayer, George P. Miller, Ludington Patton, William Woods Plankinton, Charles F. Pfister, A. O. Trostel, E. A. Uhrig, and Fred Vogel, Jr.

Will Retain Milwaukee National Officers

According to the official statement of the consolidation all officers and employees of the Milwaukee National will be retained by the purchasing bank. Although Mr. Strohmeyer has an office at the First National Bank, his duties as manager of the Milwaukee clearing house, which office he has held for several years, require a large portion of his time at the clearing house headquarters in the old Milwaukee National Bank building, where they will probably remain until the new First National Bank Building is completed.

Crops not Politics Control Prosperity

Andrew J. Frame, veteran banker of Waukesha, opines that big crops and not national politics control the general prosperity of the country.

"Although we may have material adverse



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

legislation, yet, if the Lord gives us big crops, he is more powerful to bring about prosperity than adverse legislation is to tear it down," said Mr. Frame. "Honest differences between the republican and democratic parties are very slight. The tariff alone to a certain extent is a bone of contention. But it also is a bone of contention in so-called free trade countries, England and Germany, and always will be in all probability. You may hammer a sound body and bruise it materially, but if, as in the case of the United States, it is wonderfully sound and prosperous, it takes much bruising to turn the tide of progress backward. I don't think politicians will be able to turn the tide, and the Lord is with us."

Recuperate in G. D. Bartlett's New Car

Secretary George D. Bartlett of the W. B. A. and the hardworking members of the Milwaukee bankers committee who entertained the 500 guests at the state convention just closed are seeking recuperation in Mr. Bartlett's new KisselKar, presented to him last week by members as a token of their appreciation of his efforts in behalf of the association. When it comes time to crank the car, however, it is rumored that the occupants are too prone to "let George do it."

Wisconsin National Bank Directory

And now that the excitement is all over delegates to the big annual convention are finding time to peruse and admire at their leisure the handsome little blue leather-bound state bank directory issued as a souvenir by the Wisconsin National Bank, and compiled by Walter Kasten, assistant cashier.

Wisconsin Notes

F. C. Langfeldt, a banker of Durant, Ia., is reported to have purchased the controlling interest in the Citizens State National Bank of Stoughton.

The \$165,000 Racine County courthouse bonds, bearing 4 per cent interest, proved unattractive bait to bidders, only two bids having been received so far. Under the circumstances the county board at a special meeting will take emergency measures to raise the interest to 4½.

Stockholders of the First National Bank on Wednesday voted to increase the bank's capitalization from \$2,500,000 to \$3,000,000, making it the heaviest capitalized institution in the city. This is the second increase in the bank's capital in eighteen months, a \$500,000 increase

having been voted in February, 1911, at the time the bank took over the Milwaukee and Fidelity Trust Companies. The new stock will be held for the present stockholders at 180 until August 24, after which it will be placed on the general market.

A. Uhrlaub

A. Uhrlaub, vice-president of the Central Trust Company of Illinois, has returned from his vacation spent in Germany, where he had the interesting experience of making a pleasure voyage in one of the Zeppelin air balloons.

SECOND ANNUAL AGRICULTURAL CONFERENCE

The second annual conference of the committees on agricultural development and education of state bankers' associations will be held next week, August 7th and 8th, in Minneapolis and St. Paul. The first day's session will meet at the Hotel Radisson in Minneapolis at 10 A. M., and the second day's conference will meet at the St. Paul Hotel in St. Paul at the same hour. Chairman Joseph Chapman, Jr., and Secretary Charles R. Frost have prepared a very attractive program with a list of prominent speakers on the special subjects which will go before the conference. The delegates will be entertained by the bankers of Minneapolis and St. Paul on the evening of the first day at the Lafayette Club, Lake Minnetonka, one of the most beautiful lakes in the country. In the morning of August 7th there will be addresses on "The Better Farming Association of North Dakota," by Thomas Cooper of Fargo; "The German School System," by Edward A. Rumely of La Porte, Indiana; "Agriculture in the South," by Dr. Andrew M. Soule, president Georgia College of Agriculture, and "Vocational Training" by the Hon. Carroll S. Page, United States senator from Vermont. After a general discussion the conference will adjourn until two o'clock. In the afternoon there will be talks on "The Minnesota Agricultural High School," by Prof. John Monroe, Cokato (Minn.) associated high schools; "Co-operation Between the State and the United States Government in Agricultural Extension Work," by Dean A. F. Woods of the Minnesota Agricultural College, St. Paul; "Dry Farming," by John T. Burns, secretary International Dry Farming Congress, Lethbridge, Alberta; "Farming in Missouri," by S.

M. Jordan, manager Pettis County Bureau of Agriculture, Sedalia, Mo.; "Our Work," by Prof. L. D. Harvey of the Stout Institute, Menominee, Wis.; and the "Modern Up-to-date Boys' School," by Prof. Raymond Rioridan, superintendent Interlaken School, Rolling Prairie, Ind. On the morning of the second day Prof. Edwin G. Cooley, former superintendent of city schools in Chicago, will talk on vocational training in Europe; E. M. Phillips, assistant superintendent of public instruction for Minnesota, will deliver an address on the consolidated rural school, and the Hon. James J. Hill of the Great Northern Railway, St. Paul, will entertain the bankers with a talk on agriculture. In the afternoon there will be an address on the "Attitude of Congress Toward Agricultural Development," by the Hon. L. B. Hanna, member of congress from North Dakota and a member of the house committee on agriculture, after which reports from the chairmen of the various state committees on agricultural development and education will be heard. Addresses also will be made by Miss Frances P. Lapham on "Problems of the Farm Home;" C. B. Waldron, North Dakota Agricultural College, on "The Relation of the Educational Agencies to Present Day Rural Problems;" and by A. Y. Storms, College of Agriculture, Ames, Ia. A silver loving-cup, offered by the president of the conference, will be presented to the committee accomplishing the best results to date. After the election of officers and the appointment of committees the conference will adjourn. Up to date the following states have appointed standing committees on agricultural development and education: these committees composing the second annual conference: Alabama, Arkansas, Colorado, Florida, Indiana, Iowa, Idaho, Illinois, Kansas, Michigan, Minnesota, Missouri, Montana, New Jersey, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin.

GALVESTON BANKER DEAD

Galveston, Texas, July 30.—S. T. Hanson, cashier of the City National Bank of Galveston, died suddenly on Wednesday of last week when on his way from home to the bank. He had been cashier of the City National Bank ever since its organization in 1907 and previously had acted in a similar capacity for the bank of W. L. Moody & Co. of this city.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Aug. 1.—The near approach of the crop moving period has caused a better demand for credits during the past week or ten days and interest rates show a tendency to harden. Several of the leading institutions are pretty well loaned up but still find a pressing demand from borrowers. The banks maintain a strong reserve position, however, and no inconvenience is anticipated when the call for funds becomes more urgent. The requirements for crop moving purposes are expected to be unusually heavy this year, as the outlook promises a very heavy yield of small grain. Earlier in the season sentiment was decidedly depressed by the poor outlook for winter wheat, but ideal weather has brought the crops forward in an amazing manner, and much acreage at one time thought to be practically worthless, has been reclaimed and will make a fair yield.

After the long months of 4 to 4½ per cent discounts the temptation to put out funds at the prevailing rates of 4¾ to 5 per cent is very strong. City borrowers are the best clients at the advanced rates, but there is also a strong demand from country sources. Numerous firms that have not been in the market for funds for a year or more are inquiring for goodly sums. This is reflecting in continued heavy bank clearings, and is emphasizing the fact that general business is picking up. The total clearings continue to run well over those of a year ago. With the near approach of September the banks also will face some maturities which will further strengthen their position. The demand for call funds is not pressing at the moment and rates are reasonable. The chances, however, favor higher rates in the near future.

Good crop prospects are being reflected in a cheerful sentiment in the wholesale district and sales are more satisfactory than were expected sixty days ago. There has been an increased business booked for fall delivery, despite the lateness of the season, and numerous enlargements on earlier orders have been placed.

New Reorganization Plan of the Wabash

St. Louis bankers are much interested in the new reorganization plan of the Wabash Railroad, as many of the securities of this company are held here for investment. Under the new plan being worked out by the Bondholders Committee, it is thought that the assessment on the preferred stock will be much smaller than the \$40 per share figured on under the original reorganization plan. The original plan met considerable opposition in banking as well as official sources, as the Missouri Pacific Railroad, being one of the largest holders

of Wabash securities, would be compelled to make a larger outlay than desired while the company is in need of its revenues to finance its own indebtedness. With a smaller assessment it is declared also will come an untangling of the financial affairs of the Wheeling and Lake Erie from the Wabash, and a tentative plan in this direction is expected to be submitted to Judge Elmer B. Adams of the United States District Court in the near future for his approval.

Several of the members of the Wabash Protective Committee are now in Europe, and Chairman Winslow S. Pierce expects to join them before their return. On his return, it is said, some definite action may be looked for in Wabash affairs, though in the opinion of many the receivership may continue for a year. It is known that some of the committee are desirous of bringing the Wabash out of the hands of a receiver by August, 1913, the date on which the \$10,000,000 certificates mature.

Prefer Public Service Corporation Bonds

St. Louis bond dealers express the belief that gilt-edged railroad bonds are destined to sell lower, as the public continues to show a decided preference for the higher-rate and better known public service corporation issues. They say that every indication points to a continued and pronounced increase in the production of gold, with a resultant rise in the cost of living, and a demand for higher rate yields on the part of those dependent upon this form of "incomes" for their subsistence, financially speaking. This may well indicate a further contraction in prices for the gilt-edged railroad bonds yielding a small return, and a further preference for the less well-known, but none the less substantial, smaller railroad bonds and well-established and prosperous public service corporation securities which meet the requirements of the conservative investment banking firm and pay from 5 to 6 per cent.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

Law Suit

National Bank of Commerce Defendant in

The National Bank of Commerce of St. Louis has been made part defendant in another suit growing out of the \$400,000 bond issue of the Holiday-Klotz Land and Lumber Company. The Holiday-Klotz Company and the Wayne Iron and Lumber Company are the plaintiffs. The court is asked to declare the issue void. It is stated that May 6, 1907, officers of the Holiday-Klotz Company executed on behalf of the company, and with stockholders and directors of the company, a deed of trust on lands in Wayne and Butler counties, in Missouri, securing \$400,000 bonds. It is averred that prior to the bond issue the National Bank of Commerce caused J. W. Perry, an officer of the bank, to become a stockholder of the Holiday-Klotz Company, a member of its board of directors, and secretary of the company, and caused the bonds to be taken from the company and deposited with the bank as security for obligations of other persons. The Wayne Iron and Lumber Company, January 9, 1909, bought the land covered by the bonds, it is declared. The circuit court of Wayne county, August 15, 1910, appointed John G. Settle trustee in place of the Bankers Trust Company, named originally, and he advertised the land for sale, it is stated. It is now declared that the bond issue was illegal and the court is asked to order the defendants to deliver the bonds in court for cancellation. Settle is made defendant in the case, as are also William Cowan, Charles W. Hayes, David H. Glass, William S. Glass, Charles D. Rodgers, Elwyn R. Locke and Samuel M. Locke, who it is stated issued the bonds. Five other suits growing out of the issue of bonds are pending in the circuit court. An injunction was issued in one of the suits, stopping the sale of the bonds pending the litigation.

GUARANTY TRUST COMPANY ISSUES NEW BOND BOOKLET

The Guaranty Trust Company of New York has compiled data relating to the more important issues of short term securities and has published it in the form of a very attractive and convenient booklet. The compilation is most complete as regards railroad, industrial, and public utility securities. Brief descriptions of the larger issues are also given, as well as a chronological list of maturities. The book is a revised edition brought down to June, 1912, of a similar publication issued by this company in 1911, for which there was large demand. The Guaranty Trust Company will be glad to send this booklet to investors who are interested in short term notes and bonds.

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NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, July 17th, 1912, and ending Tuesday, July 23d, 1912.

Arizona—Hayden, Gila Valley Bank and Trust Company; Morenci, State Bank of Morenci.

California—Fort Bragg, Fort Bragg Commercial Bank.

Florida—Punta Gorda, Merchants Bank.

Georgia—Byron, Farmers Bank.

Iowa—Chariton, Lucas County National Bank; Elkader, First National Bank; Villisca, Villisca National Bank.

Michigan—Flint, Industrial Savings Bank; Ithaca, Ithaca Savings Bank; Washington, Washington Savings Bank.

Mississippi—Ruleville, Peoples State Bank.

Missouri—Allenville, Allenville State Bank; Gordonville, Bank of Gordonville; Jackson, Jackson Exchange Bank; Lexington, Commercial Bank; Pocahontas, Bank of Pocahontas.

Montana—Medicine Lake, Security State Bank.

Nebraska—Dunning, Dunning State Bank.

New York—New York, Clarke Brothers, Bankers; Southampton, First National Bank.

Ohio—Navarre, Navarre Deposit Bank Company.

Oklahoma—Pryor, First National Bank.

Oregon—Florence, Lane County State and Savings Bank; Independence, Farmers State Bank.

Pennsylvania—Lansford, Dime Bank; Orwigsburg, First National Bank.

South Carolina—Florence, Commercial and Savings Bank.

Tennessee—Stantonville, Peoples Bank.

Virginia—Portsmouth, First National Bank.
Washington—Roy, Roy State Bank; Vashon, Vashon State Bank.

Nebraska Program

Among the speakers at the Nebraska Bankers Association convention in Omaha, August 26th and 27th, as announced by Secretary Wm. B. Hughes, will be Henry W. Yates of Omaha, who will speak on "Separate Reserve Associations"; P. L. Hall, Lincoln, "The Record"; C. G. Hulburt, Utica, "The Guaranty of Deposits Law"; J. A. S. Pollard of Fort Madison, Iowa, "Soil Culture"; George M. Mangold, Bennington; and T. L. Mathews, Fremont. The latter two have not yet announced their topics. C. W. Pugsley of Lincoln, superintendent of the Department of Agricultural Extension and Farm Management of the University of Nebraska, will speak on agricultural development topics and Wm. J. Burns of New York City, who has also been secured, probably will speak on "Bank Protection."

M. A. GRAETTINGER WITH THE LIVE STOCK

M. A. Graettinger, who was secretary of the Wisconsin Bankers Association in 1908, was engaged in the banking business in Milwaukee for a number of years, having assisted in the organization of the Merchants and Manufacturers Bank of that city. He became its first cashier and retired from that position about a year ago, when he entered the office of the Wisconsin state bank examiner, where he acquitted himself creditably. He recently has accepted a position as traveling representative in Wisconsin for the Live Stock Exchange National of Chicago.

PITTSBURGH CHAPTER NEWS

The following invitation has been sent to the delegates who will attend the tenth annual convention of the American Institute of Banking to be held at Salt Lake City, August 21st, 22d and 23d:

"Pittsburgh Chapter extends a very cordial invitation to all delegates attending the convention at Salt Lake City, to stop over in the Smoky City and be entertained by the chapter. A good time is guaranteed to all."

(Signed) H. E. HEBRANK,
Pres. Pittsburgh Chapter A. I. B.

At the present time, the above invitation has met with good results, and plans are under way for the entertainment of a large delegation. It has been arranged to bring the eastern boys over the Pennsylvania Railroad and a stop at Pittsburgh has been scheduled. They will arrive Friday evening, August 16th, at 7 o'clock, and will be met at the depot by the Pittsburgh Chapter boys who will join in showing the guests around the city. Autos will take them on visits to the steel mills and residential sections, and later a trip to the Hippodrome at Forbes Field. The closing event of the night will be a big dinner at the Country Club. These plans are subject to slight change but will be strenuous enough to keep all on the go for the short time they will be in Pittsburgh.

Saturday, August 3d, at West View Park, will occur the first annual picnic and outing of the chapter. One of the events on the program will be a ball game with the Credit Mens Association.

Findlay.—The City Banking Company will increase its capital from \$60,000 to \$100,000. P. W. Ewing has been elected president.

Editorial Comment

WHAT IS THE MATTER WITH OUR COURTS?

A great deal of criticism is directed nowadays against the judiciary of our country and against the present administration of justice. Some of it, perhaps, is just, while some of it is unjust. Great dissatisfaction often is expressed at decisions which are rendered which are said to be inequitable. Some of the more radical advocate as a remedy for this the recall of judges and of judicial decisions. Another source of complaint is the great delay incident to securing the determination of a controversy, while others contend that litigants with a good cause of action often are thrown out of court on what commonly is known as a "technicality."

It is quite obvious that some of the decisions rendered by our judges will be considered as unjust, this on account of the fact that incompetent men sometimes will be elected to office. Then, again, a judge may be administering the law as he understands it, and, in fact, as the law really is; very frequently the trouble is not with the judge, but with the law itself. Quite often laws are declared to be unconstitutional as infringing upon certain of those inalienable rights guaranteed to the people of the United States by the constitution. Surely in a case of this kind the judge is not to be blamed. Why not get at the source of the trouble and amend the law? Of course, if a judge is guilty of malfeasance, he always can be impeached.

Delay in the law is another prolific source of discontent. While it is true that this is necessary to a limited extent as an incident of the vast amount of litigation conducted in our courts, many believe that the difficulty in securing a decision is greater than it ought to be under the circumstances. It is believed that justice would be subserved much better if certain classes of cases were given precedence over others. For instance, considerable time often elapses between the indictment for a crime and the ultimate carrying into effect of the sentence of the law. This necessarily has a pernicious influence. People would be less likely to commit crimes if they knew that but a short interval would elapse between apprehension, conviction and sentence. Swift and adequate punishment can be the only safe deterrent for crime.

One hears a great deal about the "technical" side of the law. No doubt there is some foundation for this, but nevertheless it is true that this sometimes is due to a misapprehension as to what the law really is. It is a well recognized fact that many of these so-called technicalities occur in the pleadings of a case. A great many of the states still use the common-law system of pleadings. It is thought by many that if the rules relating to this branch of the law were codified, much of the difficulty and vexation experienced would be

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

obviated. Then, again, the trouble often may be attributed to the lawyer who is retained. Perhaps he doesn't use the proper care in preparing his client's case. The whole question is occupying the attention of both bench and bar, and is the subject of investigation by the press and numerous state bar associations. It is to be hoped that the ultimate result of their efforts will insure to the people a free, quick and impartial administration of justice as guaranteed in the constitution.

ONE FUNCTION OF A TRUST COMPANY

The rule against perpetuities had its origin in the old common law of England. Such is the law to-day, except in so far as it has been modified by statute. Briefly stated, the rule is that one cannot postpone the absolute vesting of an estate for a longer period than a life or lives in being and twenty-one years thereafter, plus the period of gestation. The wisdom of such a rule readily is apparent, for if such were not the case a testator would be enabled to control by will his property indefinitely. The only exception to this doctrine is in the case of charitable trusts. A statement of the rule naturally suggests the query as to the method employed in handing down large estates from generation to generation. The most common way, and no doubt the most reliable, is the creation of a trust for the longest period allowed by the law. The second method is to

depend upon the decendants to follow the policy of their forefathers and ultimately to convey the property again in trust. In this connection trust companies play a very important part. They are much better equipped to discharge the duties of such a relation than are individuals. They are backed by a large amount of capital, are under the supervision of the state, and represent the combined experience and judgment of a number of men, whereas an individual has but his own skill upon which to rely. Then, again, their existence is perpetual. There never has been an instance where a "bona-fide" trust company has betrayed the confidence reposed in it. It is believed that they will exercise an important influence in the years to come.

CLEARING THE SIDEWALKS

Erectors of new buildings in Chicago should note what now is going on in New York, where the city ruthlessly is cutting away every projection of whatever nature beyond the building line. Even the beautiful marble steps and entrance way at "26 Broadway" has been chopped away as if the billion-dollar Standard Oil Company belonged to the common herd. In New York all the handsome entrances are being cut away from downtown office buildings to widen the sidewalks in a way which emphasizes the congestion of foot traffic in the financial district. Everyone knows that this condition is caused by the multiplication of skyscrapers, to which there seems to be no limit either in number or height. At lunch hour and after 5 p. m., when many buildings empty almost simultaneously, the principal downtown thoroughfares become badly congested, and the relief afforded by clearing the sidewalks of all obstructions up to the wall line is the only relief in sight. How long would the "special permit" stairways and sidewalk bay windows of Chicago last if such a crusade for law observance should start here? In no city in the world has there been such toleration of the land-grabbing propensities of landlords and store owners. A few are renters of public space direct from the city, but ninety per cent of the offenders secured their unjust advantage by the "influence" of doubtful aldermen in the city council. Incidentally, the justice of compelling the various building owners to cut away their fronts at their own expense is highly questionable. The city having allowed the erection of these obstructions ought at least to share an expense which is entirely for public advantage and which would never have been incurred had earlier officials been alive to the consequences of their shortsightedness. The situation should cause an awakening in Chicago, where even basement lifts and endless freight stairways, in places, cut off two-thirds of the sidewalk space. The sooner the work is begun the less the hardships to be imposed.

Convention Dates

WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.
VERMONT—White River Junction, August 16; Secretary, C. S. Webster, Barton.
COLORADO—Pueblo, August 19 and 20; Secretary, Preston T. Slayback, Denver.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.
NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



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MONTANA CONVENTION AUGUST 23-4

Secretary Mark Skinner of the Montana Bankers Association, at Great Falls, has issued formal invitations for the ninth annual convention of the state association, which will be held at Kalispell August 23d and 24th. A cordial invitation is extended to all bankers in the large cities and to any others who may be interested in Montana's welfare. Mr. Skinner assures us that a good program is being provided and that the local bankers have arranged for adequate entertainment features.

A NEW PRESIDENT ELECTED

At a recent meeting of the Board of Directors of Bank of Atkins, Arkansas, J. M. Barker was elected president to succeed the late Col. E. A. Darr, deceased. Mr. Barker has been cashier of the bank for seventeen years (since its organization.) The present capital is \$50,000, surplus \$10,000. Ira Darr was elected vice-president to succeed the late Dr. J. L. Griffin, deceased.

J. Fletcher Farrell

J. Fletcher Farrell, vice-president of the Fort Dearborn National, recently has returned from a month's vacation spent in Missouri, his home state. Mr. Farrell visited Paris, his old home, and Columbia and Jefferson City. He reports having had a fine time, and says that he gained eleven pounds while away. The general business situation in Missouri is good. Although the crops will be a little later this year than usual, prospects concerning them are very favorable. People down there are optimistic as to the outlook.

CHARGES NO INTEREST

Fort Worth, Texas.—The First State Bank Trust Company at Cuero is receiving requests daily from farmers in that section for loans to purchase fertilizer and other means of enriching the soil. The bank announced recently that it would loan money to progressive planters without interest and the lenient terms of the institution have met with the approval of all the business men and farmers here. The object of the bank is to promote the agricultural advantages of DeWitt county and it will assist in every movement that makes for the upbuilding of the community.

MISS FLORA BUCK SPENDING VACATION IN EAST

Miss Flora Buck, cashier of the Farmers State Bank of Genoa, Ill., is spending her vacation in the East, including New York, Boston, Norfolk and historic places in Virginia.

David R. Forgan

David R. Forgan, president of the National City Bank of Chicago, has returned from a trip to Europe.

HARRIS PUTS ECONOMIST RIGHT

President B. F. Harris of the Illinois Bankers Association has written a letter to the Chicago Economist to try to put that publication right on the question of state supervision. Mr. Harris wrote:

Editor Economist: I note your figures in the last issue of the Economist, with reference to bank supervision, and indicating the situation with reference to private bankers in this state. In reading over those figures one uninformed would get the impression that the bulk or practically all of the country banking business in the state is carried on by private bankers. As I understand it, Mr. Crampton gave you some of the figures on which your statement is based, some of which figures had been compiled for me, but in digesting them for my own purpose I used figures that show the entire banking position a little more clearly. For instance, I find that there are 319 towns of less than 500 population that have only one bank. 30 per cent, or 94 of these banks are state or national banks, and 225 are privates. This indicates very clearly that this 30 per cent was glad, of its own volition, and able to organize a state or national bank, with a capital of not less than \$25,000, which disproves the contention of many private bankers that a small community ought to be permitted to organize with five or ten thousand capital.

Some of these private bankers have criticized me by saying that "we understand your special policy has been to build up agriculture

in the country communities, and yet you are now desiring to injure those communities by raising the requirements in banking and calling for a minimum capital of \$25,000, which will and it is evidently your purpose to, close up the small banks and help the larger cities."

My answer to this has been that no one is more interested than am I in building up farming communities, and the best way to accomplish this is to get co-operation among the progressive and responsible farmers and land-owners in this movement. That the smallest community, made up of such people, that really needs banking facilities, can easily get from five to fifty of its farmers and country merchants to raise a capital of \$25,000. It is banking, under such conditions as these, in small communities, that exercises a splendid influence and financial support to the community and brings such bank much business that might otherwise be inclined to go to the larger towns.

There are quite a number of country banks in Pennsylvania, organized under both state and national charter, and nearly all of these banks have from sixty to two hundred and twenty-five stockholders each. Selfishness is at the bottom of it, and the trouble is that some of our bankers want to do a very much larger volume of business than they are entitled to, or should be permitted to do, on a small capital, and they refuse to recognize the doctrine that the state and federal courts have expounded, viz., that banking has such a public aspect as to bring it under proper state regulation.

In the votes which I received from the private banker members I was glad to note that the population of the town had apparently little to do with the attitude of the banker with reference to supervision. Our figures show that 25 towns having a population of 500 or less have two banks, which is an indication that there is enough business to justify at least one good bank. If there is enough business there to justify two banks of a proper capitalization the competition between the two small banks would lead to unsafe methods, indicating that one good bank would therefore be better than two weak ones.

In one-bank towns of a thousand or more population there are as many or several times as many organized as unorganized banks. In view of these figures and much information that I have otherwise gained, directly from the banker himself, I am convinced that there is no foundation, in fact, for opposition to bank supervision in this state other than that growing out of purely selfish reasons, and the opportunity to do under unsupervised banking the things that should not be done under any system of banking that is calculated to be of real service to the community.



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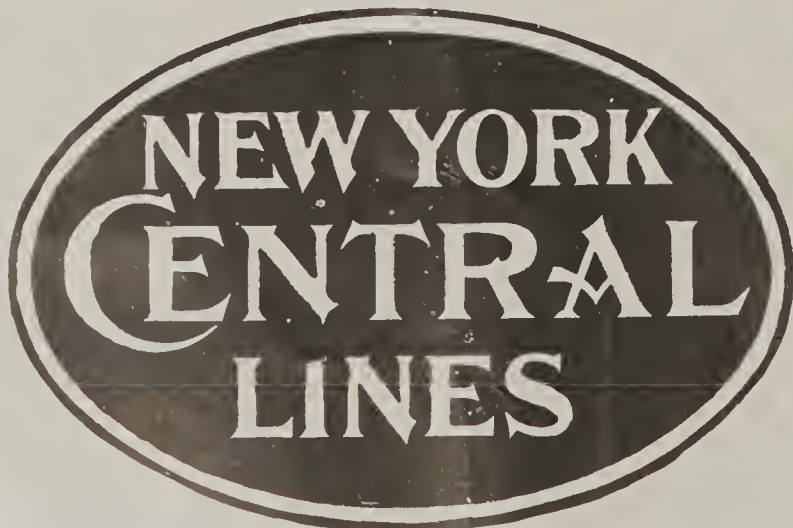
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Resents Recent Attacks on Representative Government

There is one thought which during the last thirty years has burned itself into the consciousness of the average American citizen, namely, that he is badly governed in the law making department of his government, both in civic and state affairs; that he is badly governed as relates to the executive department as well, but not so flagrantly as in the legislative branch. Moreover, of late he has been led to realize that he has reason to complain of the judicial service he is receiving.

Are these complaints just and if so to what extent, and wherein lies the remedy?

There are three motives which might induce a desirable man to go to the legislature—a patriotic desire to do good, the honor the office might bring, and the hope of pecuniary reward. The pecuniary reward a legislator receives, whether in state or national service, is negligible. If he is a man of good education (and no man of inferior education should be considered eligible to make laws), and of fair social standing, the pay will not support him. It is an interruption to his business—a session or two of congress will break up any man's business; the pay he receives will leave him no surplus, and he will come out poorer than when he went in. Therefore, for an honest man, there is no hope of pecuniary reward. The honor and distinction which are left to the holder of such an office are not much greater than the slender pay he receives. As to congress the honor is sufficient to induce many a man to accept the office, but it is doubtful if the distinction of being called a member of either house of the state legislature proves tempting. The reputation of being an alderman is nothing—in many cases it arouses suspicion.

The candidate for the state legislature, therefore, if he be a prudent as well as an honest man, must decide whether he has private resources to fall back upon to help him live while he is dedicating the best part of his time to the public service.

This consideration affords an explanation of the fact that our legislatures are filled with incompetent men, needy adventurers seeking corruptly to fill their pockets, and embrace but a small percentage of men who are really desirable.

There are three great questions awaiting solution by congress in the near future: The Tariff, the Trusts, and the Currency. Although these matters are pressing and are federal questions, yet they have been cast into the shade at this time of national elections by the greater interest shown in matters with which congress has little or nothing to do.

But the questions which have been projected, apparently out of place at this time, are not federal matters. They relate to the government of the states, and to the status of their legislatures; they involve an entire change in our system of government. They are popularly known as the Initiative, Referendum and Recall.

We have enjoyed for many years a constitutional government. Hear what Webster says:

"Nothing is more deceptive or more dangerous than the pretense of a desire to simplify government. The simplest governments are despotisms. The spirit of liberty * * * demands checks. * * * It does not trust the amiable weakness of human nature, and therefore will not permit power to overstep its prescribed limits, though benevolence, good intent, and patriotic purpose come along with it."

Critics, both at home and abroad, have given

Judge Sidney Corning Eastman, quoting texts from Lincoln and Hamilton, defends American institutions—legislative, judicial and executive.

¶ The independence of the judges is equally requisite to guard the Constitution and the rights of individuals from the effects of those ill humors, which the arts of designing men, or the influence of particular conjunctures, sometimes disseminate among the peoples themselves, and which, though they speedily give place to better information and more deliberate reflections, have a tendency in the meantime to occasion dangerous innovations in the government and serious oppressions of the minor party in the community. — *Alexander Hamilton.*

¶ A majority held in restraint by constitutional checks and limitations and always changing easily with deliberate changes of popular opinion and sentiment, is the only true sovereign of a free people. Whoever rejects it does of necessity fly to anarchy or despotism. — *Abraham Lincoln.*

praise to our system, yet we are now told that it is fundamentally wrong and we must change it at once for a new theory; we are asked to abolish our representative government and place the law making directly with the electorate, a proposition of the greatest gravity because it is dealing with the fundamentals of government, that is, the making of laws. This idea of pure democracy is not new, but is an old and exploded one.

The pessimistic feeling which at times assails us, comes from viewing at close range these glaring evils, and we fail to get the wider vision which is afforded sometimes to critics from abroad.

Bryce, that great writer, in his *American Commonwealth*, luminous for its common sense (Vol. II, p. 240), says:

"At last a point was reached at which the evils aroused the public conscience and were felt to be injuring the whole community. Human intelligence, by a sort of natural law, chooses the path of least resistance, and instead of trying to root out an evil altogether, often seeks to discover some expedient which will get around the evil and avoid its worst consequences. So in this instance the voters instead of destroying the Machine or setting it right by ejecting the professionals and making a party organization truly represent the whole party and the principles the party stands for, resorted to the plan of creating statutory primaries, that is to say, of duplicating elections by holding a party election to choose candidates as preliminary to the general election for choosing officials. * * * And now they have begun to supersede the legislature by taking to themselves the direct power of law making through the institution of the Referendum and the Initiative, these being in their essence an effort to get rid, not only of the evils incident to the selfishness of legislatures and their amenability to improper influences, but also of party itself, as a force which divides the people and prevents them from taking the shortest way to accomplish their will."

This restlessness and desire for change is due largely to certain glaring and admitted defects in the composition of our legislative chambers; it is to get rid of these defects that we are asked to make these radical changes.

What are the defects? Are they remediable? Are the proposed remedies satisfactory?

The people of the United States are mistrustful of their law-makers, of their representatives in the legislatures of the states and also, to a less extent, of their representatives at Washington.

There is, indeed, less occasion for mistrust

now than there was thirty years ago.

During the last thirty years we have improved by preventing the more glaring frauds in the electoral machinery, in the ballot, in the purchasing of votes, and in the jobbing of franchises by both municipal and state authorities. The government of large cities, bad as it is at present, is much better than it was. The character of the common councils of some of our cities has been revolutionized. The selling of franchises has now become comparatively rare, because dangerous.

This modern talk of the initiative, referendum and recall is traceable to the general dissatisfaction; they are proposed as the remedy—in fact a remedy of despair!

Suppose a young man fresh from college, filled with enthusiasm for public service as a life work, were to ask a middle-aged friend for advice. Do you not think he would be asked whether he had "in presenti" or "in futuro" a reasonable competence? And if the reply were in the negative, would he not be advised to stay out because he would be embarking in a career of poverty? He would be unable to support a family or provide for the future out of the salary of a legislator, and would always be confronted with the loss of office after years of public service, without profession or business to fall back upon to earn his bread.

A young lawyer, perhaps, may suffer less than others from a few years in the legislature. A young business man is urged to work hard, put his soul into his business, let nothing divert him if he would succeed. How can he take a quarter of his time away from home and business and during the remaining three quarters have his mind filled with public questions? Has it come to this, that we must look for a class of men of independent means, not necessarily of wealth, if we wish to improve our legislative branch? It would seem so. And can we induce those citizens who, in addition to possessing the moral and intellectual qualifications, are possessed of sufficient means, to go into public life? Do we offer that honor and distinction which invite others in some parts of the world?

Now it is this lack of confidence which is generally felt in our legislatures, that has produced this restless turning around and hunting for a remedy. To the people who are so sluggish, so indifferent to their public duties that they will not or cannot select worthy men to make their laws, they turn and say, "Vote directly for your own laws." Some marvelous transformation is expected to take place, almost equivalent to a change of heart at a religious revival! The voter is expected to read over carefully and inwardly to digest several hundred pages of proposed statutes and then solemnly and carefully register his opinion by his ballot.

In Oregon, the home of the attacks on representative government, the people voted down in 1908 a referendum to increase the pay of legislators from \$120 to \$400 per annum.

A law should be the most carefully drawn instrument that the mind of man can produce! A lawyer may spend hours, days or even months, in mastering a statute in order to advise a client. Is it not evident that not only the compounding of such an instrument, as well as its adoption, should be left in charge of those who may be assumed to put some study into the matter? Yes, you may say, but is it not already demonstrated that the people are justly disappointed in the prevail-

(Continued on page 28)

Southwest National Bank of Commerce **KANSAS CITY MISSOURI**

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CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Business in all lines has revived greatly within the past week throughout the Central West, due primarily to the splendid crop of wheat that is beginning to find its way to the markets. This business revival finds expression in increasing deposits and the back flow of money from the farms into the banks. The corn crop will be large and there is no doubt that a great deal of stock will be fattened this fall and winter. This promises to be the first really prosperous year that parts of Oklahoma and Kansas have known for three years and bankers are correspondingly happy at the outlook. Banks report sound conditions generally, and while they have not enjoyed a large degree of activity during the past spring and summer months, this condition is yielding to brisk demand for money at fair rates and a steady increase in deposits.

Texas Agricultural Committee Meets

The first meeting of the Texas bankers' committee on agriculture was held at College Station, Corpus Christi, the morning of July 29th. President H. R. Eldridge of the Texas Bankers Association, P. L. Downs of Temple, J. Baldrige and Joe Hirsch constitute the committee. Prof. Youngblood of the state experiment station, J. L. Quicksall of the United States department of agriculture, Ed. R. Kone, commissioner of agriculture, and others interested in the development of the agricultural resources of Texas were present and outlined much practical work to be undertaken by the Texas Bankers Association. This is part of the general program of the American Bankers Association for developing farm resources and adding to the general agricultural prosperity of the nation.

Suggested Reform of Oklahoma Banking Laws

The scope of the suggested reform in Oklahoma banking laws was enlarged last week to include the organization and management of not only the guaranty fund but the department of banking as well. This movement was proposed by the state bankers section of the Oklahoma Bankers Association which met in Oklahoma City July 30th. The general recommendation is to be for the abolition of the state banking board as now constituted, and allow state bankers participation in naming the state bank commissioner, as well as the examiners. The state treasurer would be treasurer of the banking department under the new idea. The governor would nominate the bank commissioner and that selection to be ratified by the state bankers, or let the state bankers nominate and the governor approve. The commissioner is to have ten years' actual banking experience, five of which must be immediately prior to his appointment. The same or a simi-

lar rule, the bankers believe, should be observed in naming examiners, and they should have at least five years' practical banking experience. All matters of the department shall be under the direct supervision of the state bank commissioner, without ratification by an advisory board being necessary. It is understood that the commissioner desires more authority in his department, and in the issuance of charters to new banks in particular. One idea is to give him unquestioned authority in matters of charters and his decision to be final.

State Bank for Omaha

For many years Omaha has had no state bank, and within the past ten days steps have been taken to remedy this deficiency by the organization of the Omaha State Bank. Albert S. White, who has been most active in the organization, will be vice-president, and its cashier will be one of the state bank examiners. The new institution has been organized under the state guaranty law and will start business with a capitalization of \$300,000. Some of Omaha's most prominent business men and bankers are in its directory and among its officials. The stock in the new bank has been sold for \$125 a share, \$100 being for capital and \$25 for a surplus fund. The bank will occupy the new Keeline building, Seventeenth and Harney streets, when completed, October 1st, and hereafter this building will be known as the Omaha State Bank building.

Panhandle Bankers to Meet in August

The program for the Panhandle Bankers Association at Plainview, Texas, August 13th and 14th, has been announced. The convention will convene at the Schick Opera House and the first session will open with an address of welcome by Mayor J. L. Dorsett, and the response will be given by R. A. Underwood, assistant cashier of the Tulia Bank and Trust Company. In addition to routine business the following addresses will be given during the convention: "How Trust Companies Can Add to the Development of West Texas," by R. L. McCaulley, of Sweetwater; "The Good of the Order," by R. H. Collier, president of the American State Bank at McLean; "Pioneer Days," by R. D. Gage, vice-president of the First National at Fort Worth; "Results of Past Year, Outlook for Future," by J. C. Paul, president of the Panhandle Bank, at Panhandle; "A Kansas Blue Sky Law for Texas," by B. L. Gill, state commissioner of insurance and banking. Under the head of "Shop Talk" there will be a general discussion of banking methods. The social features will include a roof garden party on the Ware Hotel, auto rides, inspection of irrigation wells and a barbecue lunch. The officers of the association are:

Ford Brandenburg, president, Amarillo; O. L. Slaton, first vice-president, Lubbock; Joe E. Lancaster, second vice-president, Plainview; H. D. Ramsey, treasurer, Clarendon; Ira Smith, secretary, Estelline.

Heavy Kaffir Harvest

As a result of the drouth of 1911, in which thousands of head of stock were marketed at a loss by the farmers of Oklahoma, the bankers of that state co-operated to persuade the farmers to plant more kaffir, which is one of the best dry weather feed products known. So well does kaffir resist drouth that the farmers who had kaffir last year brought their stock through the season and made money. Practically all of the bankers of Oklahoma are making it a condition for farmers to plant kaffir before getting bank loans. The result will be a heavy feed harvest in Oklahoma this fall. An example of the bankers' activity in this direction is the First National of Seiling, in Dewey county. The cashier of that bank mailed circulars to the farmers of Dewey county and announced that prizes would be given by the bank for the best yields and displays of kaffir. After the prizes are awarded the bank will consolidate the exhibits and send them to the state fair to show what Dewey county can do. Additional prizes will be given by the same bank for yields of other hardy crops which always produce well in western Oklahoma. These will find their way to the state fair and will help to stimulate the growing of crops which develop in wet times or dry times. Many banks in Kansas have followed this same line of effort to help the farmers in their communities. The result is being shown in the effective co-operation of farmers and bankers such as never was known before.

"Blue Sky" Law

A remarkable number of inquiries have been received by Bank Commissioner J. N. Dolley of Kansas, asking all manner of questions concerning the operation of the famous "Blue Sky" law which he first suggested, then wrote, and finally had passed by the last Kansas legislature. According to the tone of these letters it is evident that this law is to be presented to several other state legislatures soon. Naturally Mr. Dolley is very proud of his law and is immensely gratified at the success of its operation. Speaking of the law recently Mr. Dolley said:

"It has been said that the people do not need a guardian to supervise their investments, but I want to say that a large per cent of them do need a guardian, especially in matters of this kind. On the other hand bankers are subject to the very strictest supervision. Almost every

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state in the Union has a banking department to regulate and supervise the banks. Why should the banks be regulated and supervised any more than the stock-selling company? History and statistics show that the loss through banks to the public is but a drop in the bucket compared with the money which is lost through investment in worthless stocks and bonds. At the time Kansas' 'blue sky' law went into effect there were between four and six millions of dollars annually being taken from Kansas which was absolutely lost to the investor as well as to the state of Kansas. Postmaster-General Hitchcock, after careful investigation, estimates that there is \$300,000,000 annually lost by the investing public of the United States. This money was being taken by the promoter from our state to the headquarters of his company, a large per cent of it going to New York and the East, and 98 per cent of it was either borrowed from the banker or taken from his deposits.

"This law has already saved the people of this state more money than it takes to run our entire state government during the time which it has been in operation. I can show you one instance where a certain company was selling its securities in Kansas at the time this law went into effect at the rate of about \$300,000 per month, having some thirty salesmen in the state. After making a careful investigation of this proposition, the company was refused permission to do further business in the state and it has since proved itself unworthy of the confidence of the public."

Banker Commits Suicide

Robert Thornburrow, a very wealthy land owner and president of the State Bank of Bancroft, Kan., committed suicide last week. It is believed that worry over the arrest of the cashier of the bank, J. C. McGuire, on a charge of defaulting, was the cause of the deed. Cashier McGuire was arrested July 13th on a warrant sworn out by State Bank Commissioner J. N. Dolley after a shortage of \$1,000 had been found. President Thornburrow seemed to have taken a deep interest in the arrest of his cashier and seemed to grieve over the criticism of the bank commissioner because the bank officials did not keep closer watch on the bank's condition.

Central West Notes

J. D. Suggs of San Angelo, Texas, who is a director and heavy stockholder in a large number of banks in Texas and Oklahoma, has begun the erection of a five-story building at Chickasha, Okla., in which will be the permanent home of the First National of Chickasha, which is one of Mr. Sugg's favorite institutions.

Paul Swingle, who tried to kill Thaddeus Carver of Pratt, Kan., on May 15th last, has been adjudged insane and has been sent to the Kansas asylum for the criminally insane at Lansing. Mr. Carver is one of the best known bankers in Kansas and is very wealthy. For several months he has been annoyed by young Swingle, and on May 15th Swingle called Mr. Carver to the door of his home and fired a revolver in his face. Fortunately the shot went wild, and Swingle escaped. On June 5th a second attempt on Carver's life was made by Swingle and this time he was arrested.

The following officers were elected by the Continental Trust Company of Waco, Texas,

at its stockholders' meeting last week: President, Judge Sam R. Scott; vice-presidents, W. E. Johnson, C. B. Reynolds, W. L. Saye, T. A. Caulfield; secretary, J. W. Dodson; treasurer, T. J. Primm; directors, Sam Sanger, M. Kendrick, J. R. Collier, W. E. Colgin, S. P. Ross, J. T. Smith, J. J. Dean, Dr. N. A. Olive.

A. B. Harvey, for many years a banker and merchant of Muscotah, Kan., died last week in his seventy-third year.

Senator L. P. King has retired as president of the Winfield State Bank of Winfield, Kan., and M. B. Light, former cashier, has been advanced to the presidency. Lewis Boys, who has been engaged in the banking business at Grenola, Kan., has taken the position formerly held by Mr. Light.

J. N. Dolley, state bank commissioner of Kansas, has announced that hereafter his department will be under civil service. Although Mr. Dolley is perhaps the most active politician in Kansas he declares that politics is a

game that should be played outside of a business office. He says that he will refuse to appoint any employee in his department because of political friends or political pull.

B. L. Gill, commissioner of insurance and banking of Texas, is in Spokane, Wash., where he went to attend the annual convention of the National Association of Insurance Commissioners.

The Brazoria County State Bank of Angleton, Texas, has filed an amendment increasing its capital stock from \$10,000 to \$25,000.

Within the next ten days the city of Dallas, Texas, will place on the market about \$1,000,000 in municipal bonds bearing 4½ per cent.

The following reserve agents for state banks were approved by the banking department of Texas: For the Centerville State Bank, the Guaranty State Bank and Trust Company of Dallas; for the Eagle Lake State Bank, the First National of Eagle Lake; for the Ballinger State Bank and Trust Company of Ballinger, the Guaranty State Bank and Trust Company of Dallas; for the Farmers and Merchants State Bank of Teague, the National Bank of Commerce of Houston; for the First State Bank of Tomball, the Guaranty State Bank and Trust Company of Dallas; for the Guaranty State Bank of Timpson, the National Bank of Commerce of Houston; for the State Bank of Sipe Springs, the Guaranty State Bank and Trust Company of Dallas; for the Spring State Bank of Spring, the National Bank of Commerce of Houston.

B. C. Howard of Kansas City has filed a suit in the federal court at Guthrie, Okla., asking for the appointment of a receiver for the Oklahoma State Bank of Sayre, Okla., and general accounting. Howard alleges that he is owner of \$6,000 worth of stock but that he never received returns from the money invested. He charges in his petition that O. P. Jones, president, and A. G. Caldwell, a director, practiced fraud in closing up the affairs of the bank, which was liquidated some time ago.

A new bank to have a capital stock of \$10,000 is being organized in Hollister, Mo. Those interested in the venture are erecting a new building which will be the bank's home.

The Paducah State Bank of Paducah, Texas, has been nationalized and hereafter it will be known as the First National Bank of Paducah. No change in the official roster has been made.

J. M. Johnson, who has had extensive banking experience in Illinois and Oklahoma, has opened an office in Oklahoma City where he will deal in school and municipal bonds and also mortgages and warrants.

BANK MERGER CONSUMMATED

Boston.—A circular has been issued by the Fourth National Bank announcing the completion of the plan to absorb the Atlantic National Bank and that both institutions will be conducted as one bank after July 29th at the offices of the Fourth National Bank. The consolidated bank will have a capital of \$1,500,000, a surplus and undivided profits of about \$1,275,000 and total resources in excess of \$19,000,000.



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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Crop reports have moved E. W. Decker, president of the Northwestern National, to make predictions. He says that Minneapolis will be on the business map of the United States in capital letters this fall. "The whole country will hear about us," he added. "The city never had a greater chance to move itself into a new high place in commercial and financial importance, and it is going to do it." With indications for the greatest grain crop that has ever been raised and with little possibility of anything to happen to it, a basis is offered for what Mr. Decker says. He continued: "The bank deposits of Minneapolis will reach a new high total this fall and will run away over the former high at \$106,000,000, probably touching the highest point in October. The bank clearings of 1912 will again pass the billion-dollar line, and in all probability will go well above the \$1,145,000,000 which is now the record.

"The former record total of 156,000,000 bushels for Minneapolis grain receipts will be passed in the 1912 crop year. Manufacturers, wholesalers and retailers of Minneapolis will do the largest total volume of business ever done, as result of the 1912 harvest, and this will be felt this fall and in the early part of 1913. There will be a car shortage, and it may be of very serious proportions.

"The whole northwest is about to get the biggest return in quantity and in money value that it ever received from a crop, and there will be genuine prosperity. Unfavorable developments may yet come and it is possible for damage to result, but we believe that it is now too late for anything to occur that could materially change the situation and that no matter what now happens the country will have a good big crop."

New Minneapolis Bank

With \$200,000 capital and \$50,000 surplus, the latest of the Minneapolis banks has announced its coming opening Sept. 1st, the Commercial National. Application has been made for a charter and the organizers are to

meet in a week to elect officers. Guy C. Landis, once cashier of the Flour City National, may be made cashier and vice-president. The bank is to fill a vacancy in the North of Hennepin wholesale and commission district. Among the organizers are: F. E. Kenaston, president of the Minneapolis Threshing Machine Company; Frank E. Holton, former cashier of the Northwestern National Bank; Isaac Lincoln, president of the First State Bank, Aberdeen, S. D.; S. J. Mealey, president of the State Bank of Monticello, Minn., and R. W. Akin, president of the First National Bank of Harvey, N. D., and also cashier of the First State Bank of Anoka, are among the incorporators. Others are J. S. Porteous of the Lumber Exchange Company, S. H. Bowman, S. E. Forest, H. F. Schultz, C. D. Lougee, A. J. Hogan and Guy C. Landis.

The bank will occupy the banking room in the Lumber Exchange Building which has been vacant for some time. Alterations and enlargements will be made.

Farmers and Mechanics Savings to Pay 4% Interest

The Farmers and Mechanics Savings Bank has announced an increase in its interest rate from 3½ per cent to 4 per cent to take effect Jan. 1st on money deposited in the quarter beginning October 1st. Treasurer N. F. Hawley says:

"This is a mutual savings bank without stock or stockholders. Consequently, the assets and profits really belong to the depositors. Therefore, when a sufficient surplus is earned and the net profits of the bank warrant it, the depositors are entitled to an increase of the dividends or interest. In fact, it might be an injustice to the present depositors not to give them a larger proportion of the profits, which their money is earning.

"I regard this bank, with its more than 60,000 depositors, as a public and educational institution, whose principal business is to encourage the people of the city to acquire habits of thrift and saving and of accumulating money

against a rainy day. The absolute safety of the principal of the depositor, of course, is the first consideration. After that the trustees of the bank should see that he receives the highest rate of interest warranted by safe banking methods.

"It is the purpose of the trustees to pay only such a rate of interest as is consistent with absolute safety, and to do so only during such time as the profits will justify. They are of the opinion, however, that the condition of the bank warrants the payment of 4 per cent to depositors and that they will still be able to add to the surplus of the bank."

A. A. Crane

Says A. A. Crane, vice-president of the Minneapolis First National: "Just let us have a few more days of this sort of weather and the farmers will be paying up all the money they have borrowed and putting a surplus in the bank. Much more of it will be spent for the things that go to make life happy on the farm."

At Wisconsin Convention

Bankers at the Wisconsin convention were: J. A. Latta, vice-president of the Northwestern National; Stanley Bezoier, assistant cashier Security National; E. L. Mattson, cashier Scandinavian American National; P. J. Lee-man, assistant cashier First National; George B. Lane, commercial paper.

Predicts Large Crop

M. P. Shumaker, president of the Bank of Billings; E. R. Shepherd, president of the Merchants National; Colonel A. L. Babcock, president of the Yellowstone; Chris Yegen, banker and general merchant of Billings; W. A. Selvidge, wholesale hardware dealer, have been visiting Chicago and the twin cities to look into the prospective for railroad development and for the increase of product outlet. "We are to have double the crop of last year," said Mr. Selvidge, "as double the acreage has been broken. We have 22,000 acres of sugar

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beets and the mill has been enlarged until it is the largest in the United States. The flax crop has been estimated at between 3,000,000 and 4,000,000 bushels. Montana is strong for the twin cities. They carried Montana through its development when we needed funds."

New Bank at La Crescent

The La Crescent State Bank has been formed at La Crescent, Minn., with \$10,000 capital. It principally will be a farmers' bank. A \$3,000 building is to be erected. The city is across the river from La Crosse. At the election J. W. Welch was made president, Allan Cameron vice-president, and L. L. Atkinson, cashier. The board of directors is made of the following: A. Lilly, Allan Cameron, J. W. Welch, and J. H. Garber, New Albin. Mr. Garber, who is a banker in New Albin, was one of the prime movers in the organization of the new bank.

Among the New Banks

The Plum City State Bank, Wis., is incorporated with \$10,000 capital. Incorporators are: J. G. Erickson, Albert Ingli, Julius Lewis, Jacob Hofmeister, Ben Fox, Geo. Gfall, M. Cotter, T. A. Terry, C. N. Freligh, Aug. Schwedir, Jacob Schnekloth, Math Giller, Sr.; Chas. Schnekloth, Karl Kramer, Jno. Plath, Sr.; Henry Suter, Theo Suter, J. S. Swanson, Thos Spiss, Wm. Hopham, J. E. Britton, Peter Krings, C. W. Britton, Louis Hofacker, all of Wisconsin, and Roy Quimby, of Minneapolis.

The Peoples State of North Mankato, Minn., has been organized. The capital is \$15,000. John Struck, cashier of the State at Conger, Minn., is to be cashier.

The State Bank at Curtis, Clark county, Wis., has been authorized with \$10,000 capital. F. W. Laabs is president and Glenn Reibsa-men is cashier.

Growth in Dairy Farming

Dairy farmers of Minnesota received the great total of \$24,714,235.64 for butter fat in 1910, an increase of 33 1-3 per cent in two years. In a bulletin by Joel G. Winkjer, state dairy and food commissioner, the figures are set forth as attesting the remarkable growth of a great industry that has made Minnesota famous. In 1908 the fact that the money received by farmers of the state for butter fat had mounted to \$18,500,000, coupled with the prediction that the \$20,000,000 total would be reached within eighteen months thereafter, was considered a wonderful reflection of the growth of dairy farming. With the total as shown in the report, only slightly under \$25,000,000 for 1910, the increase is found to have exceeded all expectation. More than 800 creameries are embraced in the report. They stand for about 80,000 farmers and 800,000 dairy cows.

Crop Money

Regarding crop money, E. W. Decker says: "While I have no doubt there will be money enough to move the crops the demand will be exceedingly large and rates will range strong from between 5 and 6 per cent. This will place

loans back at normal, where they have not been for a year or so. We shall soon get money from the rye and barley crop, which is nearly all harvested. In three weeks the deposits of Minneapolis banks will begin to increase. The money to move the first crop will be furnished largely by the country banks, while the receipts from rye and barley will enable us to furnish the money to move the wheat, oats and flax crops, especially that portion of them to be harvested in the Dakotas."

Capital Doubled

J. J. Flanagan, president of the Stock Yards National, South St. Paul, announces the doubling of the bank's capital to \$100,000 has been authorized. The surplus will provide the new funds. The bank will build.

John L. Proctor Made National Bank Examiner

John L. Proctor, formerly of the First National clerical force in Minneapolis, later special accountant for the department of justice heading from Washington, has been appointed national bank examiner. This appointment is the result of a new policy of providing additional examiners.

Mr. Proctor is about thirty years of age and has had some years of banking experience. He had various clerical positions with the Nicollet National Bank of Minneapolis, and the Minneapolis First National from 1898 to 1907. From April to December, 1907, he acted as assistant to the national bank examiner from the Pittsburg district and after that up to April, 1909, was employed as assistant and auditor to the receiver of the Farmers and Drovers' National Bank of Waynesburg, Pa. Since 1909, Mr. Proctor has been a special accountant in the department of justice, in which position he has made special examinations of investigations of criminal violations of the national banking act.

Banking Notes

A 50 per cent payment has been made to depositors of the Henderson State Bank of Washington, S. D., which closed its doors a few months ago. It is hoped to pay the remainder by fall.

The State Bank of South Shore, S. D. has been closed temporarily on account of the suicide of R. H. Williams, cashier, who was found to have been an embezzler. The bank is little affected.

The First State Bank of Makoti, N. D., is chartered. Aug. Peterson, R. W. Akin, L. E. Linder, Geo. Krueger and others.

D. E. Coffey, cashier of the Gregory County State Bank, Fairfax, S. D., stopped in Sioux City Tuesday on his way home from Mitchell, South Dakota.

Kenneth Clark, president of the Merchants' National, has been elected first vice-president of the Wilder Charities, St. Paul, to succeed the late George C. Power, president of the Second National. The board passed resolutions on Mr. Power's death.

A. M. Knight, sixty-nine years old, in 1874 founder of the Bank of McLeod at Glencoe, Minn., manager of the bank for twenty years, died at Sisseton, S. D., where he was in business.

Plans are under way for reorganizing the Bank of Commerce, Winnebago, Minn., which recently suspended, with good prospects of success.

Fred Kron was elected vice-president of the Mankato State Bank, succeeding the late Frank Fowler.

ONE BY FRED W. ELLSWORTH

Following is a pretty good one by F. W. Ellsworth of New York, who has been telling it at a number of bankers' conventions. If you've heard F. W. speak it, pass on:

This is a story about Zeno. Zeno was a colored man who had a savings account in a bank in a southern city years ago, before the days of modern banking laws. One day the bank failed and Zeno was naturally very much perturbed (he didn't know it by that name, but the effect was just the same). He hung around the door of the bank without any real notion of why he was doing it, but simply to be near his money. The receiver one day, as he came out of the door, asked Zeno why he stayed so close to the bank all the time.

"Kaze I'ze got some money in dat 'ar bank an' ah wants to git it."

"Well," replied the receiver, "don't you know that the bank has to be thoroughly examined before any of the depositors can get their money?"

"Dat's all right," said Zeno, "but ah jes' nacherally wants mah money."

"Of course you do," responded the receiver, "but you know that you can't get it until everything is straightened up. You know that banks have failed before. This isn't the first time that a bank has busted."

"Shore ah knows dat; I'ze heard tell o' banks bustin' before dis, but dis here am de fust time dat a bank has ever busted right squah in mah face." (Laugh here.)

The examination of the bank went on and ultimately the receiver announced that the depositors would be paid off and in alphabetical order. Unfortunately some mistake had been made in the figuring and when they got down to the W's the money gave out and Zeno lost his savings.

This experience, however, did not entirely discourage him, for after several months he had managed to save up some more money, and he took it over to another bank, where he was known, and told the cashier he would like to open up a savings account. The cashier was agreeable, and said, "All right, Zeno, we will be glad to open an account for you."

"Zeno nothin'," said the darkey, "mah name aint Zeno no more, mah name's Aaron."

J. C. Russell, cashier of the State Bank of Penalosa, Kan., has gone on a month's vacation to the Atlantic coast.

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J. W. SPANGLER, Vice-President

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\$16,000,000

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Pacific Northwest Banking News

Spokane, Wash.—Bankers of Spokane and of Washington generally are getting behind the agricultural education movement in the state and are seeking the co-operation of H. B. Dewey, state superintendent of education. W. D. Vincent, cashier of the Old National Bank, and a member of the national committee on agricultural education, is stirring up enthusiasm in the movement, and George P. Wiley, cashier of the Waterville Savings Bank, is also doing good work along the same lines. In reply to a recent request from Wiley for an outline of the means of co-operation between bankers and the department of education Superintendent Dewey points out the following:

1. Aid in securing the passage of the Smith-Lever bill now pending in congress providing for government aid in establishing demonstration farms throughout the country.

2. Aid in securing the passage of the Page bill, providing for aid for normal schools and colleges preparing persons for special work as instructors in agriculture, manual arts, household economics and extension work, etc.

3. Aid in establishment and maintenance of many demonstration farms in this state under supervision of the state college. Several of these farms have been established in different parts of the state, but there ought to be a hundred or several hundred. The persons in charge of the demonstration farms should co-operate with the public schools in securing and directing school and home gardens and in assisting teachers of agriculture.

4. The entrance requirements of the higher institutions of learning in this state should be so modified that any student who has completed four years' work in agriculture or manual arts or commercial branches may have full recognition given for such work, provided the total credits for industrial work do not exceed four credits in all.

5. The state department should have at least two special rural school supervisors, who should know rural life and be in sympathy with boys and girls; understand scientific farming and the best means of teaching it; know every section of the state; work for consolidation of schools; assist in rural supervision and organizing contests.

6. The status of the county superintendent is exceedingly unsatisfactory in this state. He draws a lower salary than those he supervises, and is limited to two years' service. The removal of the two-term limit by adopting the constitutional amendment next November will help. Increase his salary. Provide a system of effective rural school supervision. Have a board of education select the county superintendent, as in the case of the city superintendents.

7. Oppose any effort to establish separate agricultural high schools. Every high school should offer courses in agriculture as in languages, science, history or mathematics.

Emphasizing the need of special rural school supervisors Superintendent Dewey suggests that the bankers secure immediately the ser-

vices of one or two men for this work. Two years ago \$10,000 was asked of the legislature for rural school extension and only \$1,750 was appropriated, which is the only appropriation ever made directly for rural school extension. That money was used for preparing plans and specifications for one, two, three and four room school houses, with or without manual training annex, and plans for a separate manual training and domestic science building.

The recommendations will doubtless be taken up at a meeting of the executive committee of the Washington State Bankers Association in the near future.

TO ADOPT GROUP SYSTEM

San Francisco, July 29.—At a special meeting of the executive council of the California Bankers Association a plan of operation was adopted for inaugurating in California the "group system" of banks, which is now in effect in many other states. The council arranged for the maintenance of headquarters for the convenience of California bankers who attend the convention of the American Bankers Association at Detroit in September. A spe-

cial excursion to the convention has been arranged, leaving San Francisco August 31st via Canadian Pacific Railway, stops being made en route at various resorts, including Glacier, Field, Lake Louise and Banf.

The California Bankers Association comprises nearly all of the principal banking institutions in the state, fifteen banks having joined during the last two months. The report of the protective committee showed that since the annual convention held at Long Beach last May there have been reported eighteen criminal cases in which member banks have been defrauded. In connection with these nine persons have already been apprehended, six of whom are awaiting trial, three having been convicted and sentenced.

LOS ANGELES PLANS MUNICIPAL BANKS

Los Angeles, Cal.—The Los Angeles charter revision commission is considering innovations for the proposed new charter that will give the instrument a claim upon the attention of the country.

Among other things, it is proposed to incorporate provisions for ownership and operation by the city of banks, dairies, cheese factories, undertaking establishments, pawn shops, theatres, with sufficient additional latitude to permit almost all other pursuits and transactions for the promotion of the public health, morals, education and welfare, or for the amusement, recreation and entertainment or benefit of the people.

The plan is to adopt the commission form of government. Seven commissioners are to be elected, not to any specific positions, but to be assigned after their election to the heads of the various departments by the mayor, who is to be selected by the seven from among themselves after they are elected.

MISSISSIPPI NEEDS A NEW BANKING LAW

Mississippi papers are citing recent bank failures as the best evidence of the need of better banking laws. Five state bank failures have occurred since the adjournment of the legislative session at which a bill providing an adequate system of supervision and inspection of banking institutions was defeated.

Under existing statutes the state offers insufficient protection against wild-cat banking. The only semblance of supervision is the statute requiring the filing of statements with the auditor of public accounts, not exceeding four times per year, but the auditor has no means of ascertaining the accuracy of the statements filed. Each of the five banks that have passed into the hands of receivers during the past few months had filed statements with the auditor, only a few weeks prior to closing their doors, purporting to show that they were in solvent condition. The defeat of the state banking bill in the legislature was largely due to jealousy between members who had framed bills on the subject.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

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T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Wyoming Convention

The Wyoming Bankers Association will hold their annual convention at Cheyenne on Wednesday and Thursday of next week (August 7th and 8th). The list of speakers and their addresses, as announced by Secretary H. Van Deusen, are included in the following: Charles A. Lory, president Colorado Agricultural College, Fort Collins, "One-sided Education;" O. T. Eastman, assistant cashier First National, Omaha, Neb., "Getting Business;" E. R. Gurney, of Fremont, Neb., chairman federal legislative committee, A. B. A., "Losses;" M. R. Collins, president Douglas (Wyo.) National, "Collections;" T. S. Taliaferro, Jr., president Green River (Wyo.) State Bank, "Our Natural Resources;" F. F. Johnson, cashier Boise (Idaho) City National, "Costs and Credit Accounting;" and Clement Chase, editor The Western Banker, Omaha, "Early Banking Methods." Mr. Chase will accompany his address with a display of early currency.

RAILROAD FOR EDMONTON

Edmonton, Alta., July 25.—Forty engineering crews, consisting of 800 men with teams and pack horses, will be sent into the field at once to make preliminary surveys for the Northern Territorial Railway Company's line from Edmonton to tide water at Fort Churchill on Hudson's Bay. This is to be part of a system of 1,450 miles, from the Hudson's Bay country to Port Essington on the Pacific coast, connecting Edmonton with Lac La Biche, Fort McMurray and Lake Athabasca. H. G. H. Neville, C. E., chief engineer for the company, which is financed by a British syndicate and capitalized at \$40,000,000, has covered every portion of the proposed route and is fully satisfied with the engineering problems presented in the construction of the system. The route thus is described in the charter granted by the Dominion government, which gives bonding powers amounting to \$40,000 a mile:

"From a point at or near Fort Churchill or Fort Nelson on the Hudson's Bay, thence westerly to a point on the north side of Wollaston, in the province of Saskatchewan, thence westerly to a point at or near the south shore of Lake Athabasca, in the province of Alberta, thence westerly and north of the Peace River block, thence southwesterly by the nearest possible route through the Rocky Mountains to a point on the Pacific coast at or near Port Essington, at or near the Portland Canal, and from a point on the said railway near the crossing of the Athabasca River, in the province of Alberta, southerly to a point at or near Fort McMurray, thence southerly to a point at or near Lac La Biche, thence by the most feasible route to the city of Edmonton."

Plans are under way to begin grading work early next season, when the laying of rails also will be carried on, and in two years, according to present calculations, the line is to be in operation from Edmonton to the shore of Lake Athabasca, opening to commercial development the vast mineral and timber wealth of Alberta's farthest north. The company then will proceed with the construction of the line in the province of Saskatchewan. The Edmonton cut-off will be built later. The line from Lake Athabasca westerly will tap the rich agricultural resources of the newest north, continuing thence to the Pacific coast. The Northern Territorial Railway Company will operate a line of steamships from its Hudson's Bay terminal to a British port. Engineers in the employ of the corporation have made a study of the construction of the ice-breakers in

the Baltic and now are working on designs of vessels capable of meeting the abnormal conditions which prevail in the bay. They also will superintend the building of the fleet. The completion of the railroad means the opening of a vast empire, which only a few years ago was regarded as a barren waste and useful only as a hunting ground for the fur-trader and the sportsman. The railway will criss-cross the northern part of the province of Alberta with development lines and shift its center of gravity and of population many miles northward, and with the development of the resources of the Athabasca country there will be created populous towns and cities and the establishment of manufactories on the rim of the Arctic Circle, reclaiming a veritable wilderness to the uses of man. Another important outlet for the north country is a system projected by the Alberta, Peace River and Eastern Railway Company, capitalized at \$10,000,000 under a charter granted by the Dominion government in 1910. H. Muskett King, president of the corporation, now on the way to London to confer with British capitalists interested in the enterprise, said in the course of an interview while in Edmonton:

"I am greatly impressed with the country and its possibilities. I have spent a month looking it over and it is all and much more than I was told about it. The railroad is going through."

The route for which the charter was granted begins at the international boundary, southeast of Pincher Creek, Alta., and runs thence to Pincher Creek thence northerly and west of Pigeon Lake, west of Edmonton, and thence to the heart of the Peace River country, and from there directly east to a point on Hudson's Bay, also westward from Fort McMurray to Peace River landing and to the Pacific coast. The present charter is a combination of routes previously chartered under the Dominion and provincial governments. Charters for practically the same route, with the exception of the easterly portion, from the Peace River country to Hudson's Bay, are held by the Canadian Northern and the Alberta Pacific companies, which, however, have not done any of the construction work called for under their charters. The provincial government of Alberta already has guaranteed the bonds covering that portion of the line of the Alberta, Peace River and Eastern Railway between Pincher Creek and a point west of Edmonton. Premier Sifton, when seen at the government

building to-day, expressed the opinion that 600 more miles of railway will be in operation at the opening of the next session of the legislature than when the last session was prorogued. This estimate, he added, does not include the mileage on the main lines of the transcontinental roads, now building westward, which may be completed and in readiness for freight and passenger traffic in the meantime. Premier Sifton would not say where the lines will run. However, he intimated that they will traverse undeveloped country, saying also that numerous new towns will dot the map. The additional mileage is composed solely of lines for which the province of Alberta guaranteed bonds in the acts passed by the last legislature.

WILMINGTON TRUST COMPANY

Wilmington, Del.—Having completed its consolidation with the National Bank of Wilmington and Brandywine and the First National Bank, the Wilmington Trust Company has reorganized by electing George S. Capelle, chairman of the board of directors; James P. Winchester, president, succeeding T. Coleman du Pont, who resigned; Caleb M. Sherward, vice-president; Henry Bush, secretary, succeeding Harlan G. Scott, resigned.

B. M. Chattell

Bertram M. Chattell, cashier of the Illinois Trust and Savings Bank of Chicago, died on Saturday of last week at his residence at 4932 Lake Avenue. Mr. Chattell was known internationally as a keen judge of financial values. He was educated in Chicago public schools, and at the old Chicago University. In June, 1882, he entered the employ of the Illinois Trust and Savings Bank in the lowest position in the institution. He had worked at higher positions, but decided to learn the banking business, and wanted to start at the bottom. His determination and his faithful service soon gained him promotion. Within a few years he was advanced to assistant cashier, and in 1902 was made cashier. He has since held that position. Mr. Chattell was a member of the Union League, University, South Shore Country, North Shore, Germania, and the Calumet Country Clubs.

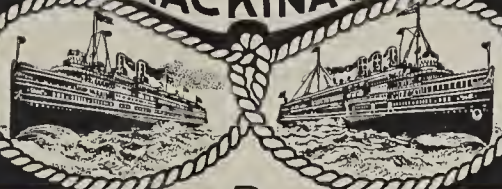
NEW HEAD OF NEVADA BANKS

San Francisco, July 30.—It is reported here that George Winfield, the Nevada mining man who recently was offered and who refused a United States senatorship to succeed the late Senator Nixon, will accept the presidency of the four banks of which Senator Nixon was the chief executive. The banks are in Winnemucca, Carson and Tonopah. Winfield is at present head of the Consolidated Mining Company of Goldfield and the Nevada Hills Mining Company. He also is president of the John S. Cook Bank of Goldfield.

BANK RECEIVER PLANS DIVIDEND

Carson City, Nev.—Another dividend of 10 cents on the dollar will be declared in a short time by Frank Wildes, receiver for the State Bank and Trust Co., as a result of the settlement of the litigation against the directors for the lump sum of \$75,000. The litigation against the directors was one of the most expensive matters in connection with the liquidation of the debts of the defunct company. Receiver Wildes states that he believes with this stumbling block out of the way that the dividends will follow each other quite rapidly and that the affairs of the defunct institution will be wound up in a satisfactory manner.

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A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers.

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THE FIRST NATIONAL BANK

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Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
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PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
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An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
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The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED
 As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS
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 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The Guaranty State Bank and Trust Company of Dallas, Texas, has increased its capital stock from \$400,000 to \$600,000. The stock was sold at 120, having been oversubscribed by the stockholders of the bank. The increase was made necessary by expansion of business.

Des Moines, August 1.—The Iowa Bankers Association is going to join actively in a movement started by the booster organizations of Des Moines for an Iowa Crop Service which purposes to spend \$300,000 in aiding and improving the crop output of Iowa. The Greater Des Moines committee and the Commercial Club have taken active charge of the proposed bureau. Prof. P. G. Holden, noted seed corn expert and defeated candidate for governor at the republican primaries, has been put in charge of the service. A provisional committee has been named and P. W. Hall, secretary of the Iowa Bankers Association, is chairman of this provisional committee. The backers of the movement have been promised certain amounts of money from the National Crop Bureau, the railroads and others interested in crop development contingent upon the amount that will be secured in Iowa. Secretary Hall will urge upon Iowa bankers the importance of joining enthusiastically. He will send out letters showing how scientific co-operation of the sort proposed in Iowa has added to the wealth of other states in a marvelous manner. Secretary Hall is alive to the subject of adding to Iowa's wealth via the farm route. It is proposed to spend \$3,000 in each county in Iowa. This will be used in sending experts into the various communities to take active charge of the crop planting and harvesting. The various schools will be aided in teaching agricultural methods and it is thought that beyond a doubt, the results will be seen when Iowa begins to reap the benefits of her tremendous crop outputs in the fall. So far as this year is concerned, the crop prospects in Iowa are magnificent. It is predicted that every record will be broken and bankers are optimistic in their predictions that Iowa is going to have the best fall and winter in the history of the state.

Will Attend Agricultural Conference

In the meantime the agriculture committee of the I. B. A. is planning to attend the annual conference on agriculture at Minneapolis, August 7th and 8th. This committee consists of C. H. McNider of Mason City, chairman; P. W. Hall, Des Moines; J. L. Edwards, Burlington; J. A. Dunlap, Keokuk; C. A. Larson, New Hampton. Prof. Holden will be urged to accompany the Iowa delegation and the work of the Iowa Crop Service will be studied and inquired about as compared to what Minnesota and other states have done.

Large Purchase of Bank Stock

Announcement has been made in Des Moines of the purchase of more than 2,000 shares of the Iowa Loan and Trust Company by G. B. Hippee. There are 5,000 shares issued, and Mr. Hippee and Mr. Simon Casady, president of the Central State Bank, now control the institution. It is understood that the price was near the half million mark. Mr. Hippee has been negotiating with eastern stockholders for some time past. The Iowa

Loan and Trust is capitalized at \$500,000 with a surplus of \$700,000 and the stock is quoted at \$240 per share. The company engages in a general banking business as well as in the investment in mortgages and the dealing in bonds, and it has deposits of over \$2,000,000. The company was organized in 1872 and has made a splendid growth. George M. Hippee, father of the purchaser of the stock, was at one time connected in an official way with the institution.

Increase in State Tax Levy

Iowa's new tax law, which places a flat rate on moneys and credits, is held responsible for an increase in the state levy this year of .1 mill. The executive council in fixing the tax rate put the state levy at 3.4 mills instead of 3.3 mills as formerly. The members declared that the revenues of the state have fallen off \$73,000 under the new moneys and credits law and that the .1 mill increase will bring in \$73,120, thus making up for the amount lost under the new system of taxing. The total taxable value of Iowa property is given at \$724,208,579, as against an actual value of \$2,864,832,316. The executive council deliberated long over the railroad assessments but finally ended by increasing this source of revenue only \$100,000 on all roads.

Promote New Railroad

Avery Bush, well known banker at Osage, has started the ball rolling for a new railroad between Mason City and Osage with a donation of \$1,000. The solicitors secured \$5,000 in a short time and it is anticipated that the entire fund will be secured shortly. There are some live wires at both Mason City and Osage and they are bent upon securing the improvement.

Another Bank for Des Moines

According to all reports Des Moines is to have another bank and possibly two. The G. B. Hippee-H. H. Polk interests, it is said, contemplate establishing a bank on the second floor of the new twelve-story building which they are constructing at Sixth and Mulberry streets, Des Moines. Mr. Polk when asked about the proposition stated that such a project is under consideration. The other projected bank is to be installed, according to reports, in the new Silverberg & Lince Story block now being erected at Fifth and Walnut. This second bank is in a more intangible state than the Hippee-Polk proposed institution.

Rapid Progress on Bank Buildings

Work is progressing rapidly on the three new bank buildings that are in course of preparation in Des Moines. The Central State and the new Mechanics Savings across from it are running a race with the Central State likely to be finished first, possibly by the first of September. The Mechanics expects to be in its new home by October first. The new Iowa Trust and Savings building in East Des Moines is also being pushed along at a rate

that insures its occupancy before snow flies. President MacKinnon of the Mechanics is announcing a sort of "kitchenette" establishment in the basement where the employees may retire on cold winter days to prepare a meal that will save them going out into the cold. There will also be a gymnasium and shower bath arrangement. These improvements are new for banks but Mr. MacKinnon believes they will be popular adjuncts.

Forgers Busy

The dull summer months seem to be having no deterrent effect upon the forgers who are roaming about Iowa. Secretary P. W. Hall has received more than the ordinary number of complaints about petty forgeries in the state—and some that are not petty. Last week a check was found in the Citizens National of Des Moines for \$750, passed by one W. H. Harter upon the First National at Rock Rapids. It had safely passed through two or three banks without detection and had been cashed in a town in Kansas. A man named C. H. Dunn has also been reaping a big harvest in the smaller towns of the state. It was reported to Secretary Hall that Mr. Dunn was successful in cashing checks for \$125 each at Red Oak, Malvern and Shenandoah. Mr. Dunn was a traveling man who had been making these towns. He was discharged. Mr. Hall was notified, and called upon the various banks where he was known with spurious checks before completing his territory.

Iowa Banks Prosperous

Bank deposits of Iowa banks have increased \$28,931,971.87 in the period from May 29, 1911, to June 29, 1912. The net increase in the number of banks is thirty-two.

Iowa Bank Changes Management

J. S. Hermesen succeeds B. G. Ensign as president of the State Bank of Neola, Iowa, and James Shaff has been appointed cashier to succeed Mr. Hermesen, who formerly occupied that position. Mr. Shaff came from Underwood, where he was cashier of the Underwood Savings Bank.

Iowa Banking Notes

Black Hawk county bankers are taking an active part in the Bull Moose party proceedings in Iowa. At the state Bull Moose convention held at Des Moines last week, Emmons, Johnson, president of the Waterloo Savings and the Johnson & Leavitt Trust Company, was named presidential elector for the third district. L. H. Paulger of the Security National of Cedar Falls was made third district committeeman. It is said that there were many bankers among the delegates who assembled at the Coliseum to cheer for the Bull Moose.

John Elliott, cashier of the Commercial Savings, Des Moines, is the happy father of his first offspring—a handsome daughter born last week. A. L. Hagerm, president of the bank, is the new arrival's grandpa.

The comptroller of the currency has approved the organization of the National Bank of Milton at Milton, Iowa. The capital stock is \$50,000. The organizers are H. C. Tyler, H. C. Hill, E. E. Hoskins and S. F. McConnell. The new institution succeeds the Farmers and Merchants.

The Cerro Gordo State at Clear Lake has increased its capital stock to \$50,000.

Rev. E. T. Gruwell, one of the well known Methodist ministers of the state, is resigning his pastorate to engage in the banking business in Montana. He is at present a stockholder in banks at Hampton and Union.

The Gilman Savings has filed articles with the secretary of state. The capital stock is

\$15,000. C. H. Seager is president; J. A. Ward, vice-president; W. W. Immler, cashier.

Henry Koehler, Jr., formerly a banker at Davenport, died in the East and was buried at Davenport. He was in business at St. Louis at the time of his death.

Emil C. Johnson, clerk of the Iowa Trust and Savings at Des Moines, died in the Methodist hospital of appendicitis one day last week. Young Johnson was only 18 years of age and gave promise of being a good banker.

J. T. Jenkins, head of the Swaledale Savings Bank, has been critically ill in a hospital at St. Paul and at this writing is in a critical condition.

A new bank at Crawfordsville is to be organized soon, according to reports, to consolidate with the First Savings. Henry Crooks and Harvey Barnes are active in the new institution.

The Bank of Percival has changed its name to the Percival Bank.

W. J. McChesney, president of the First National and of the Farmers Loan and Trust at Iowa City, has resigned as secretary of the University of Iowa. He remains as treasurer, however. Mr. McChesney found that business affairs demanded his entire time.

Sioux City

By JOHN J. BIDDISON.

The decision of Circuit Judge Rice holding invalid the criminal clause in the state banking law passed in 1909 has caused a furore in South Dakota, his ruling arising from the quashing of indictments found against officials of the Meade County Bank, recently failed. As a result of this ruling, State's Attorney Claude C. Gray, of Sturgis, S. D., has announced his intention of appealing to the supreme court for a reversal. In this connection, he says:

"Owing to the far reaching effect of the decision and its extremely important bearing upon the standing of every state bank in the state of South Dakota, notwithstanding the fact that it places the burden and expense upon Meade county to obtain a final decision, I feel it to be my duty and an obligation which I owe to the 2,300 depositors of the Meade County Bank, and all the depositors in state banks throughout the state generally, to obtain the judgment of the supreme court.

"If the decision of Judge Rice is sustained, it renders absolutely void every criminal provision in the banking act of 1909, which contains the only criminal provisions against illegal and unlawful banking in this state. Not only does it invalidate those criminal statutes, but it renders void dozens of criminal statutes enacted as parts of civil laws respecting various rights and providing for punishment for many wrongs, both public and private.

"The decision is one of the most far reaching that has been rendered in South Dakota for many years. Its effect is to permit the unscrupulous banker to play with the confidence of the public and go unpunished.

"No stone will be left unturned to have the Rice decision reversed."

South Dakota Banks

The South Dakota state bank examiner's report shows that the total amount of money on deposit in the banks of the state for the quarter ending June 14th is \$3,182,245.58 less than on deposit at the end of the quarter ending April 18th.

This increase is explained by the fact that right now is the season between the spending of money for the year's expenses and the getting in of the proceeds of the coming crop.

That bank deposits will take a decided boost in the next three months is undoubted, as South Dakota is facing the greatest year she ever saw, unless too abundant rains spoil the excellent showing for small grain. Even now much of it is out of harm's way and a few days of wind and hot sun will dry out the grain from the effects of the recent heavy rain.

The greatest decrease in the profits over the preceding quarter is shown in the deposits of the state banks. Here the decrease alone amounts to \$1,219,372.43. Of this amount the decrease under the heading, deposits subject to check, is \$975,452.15.

That the condition of the national banks is shown to be improved is manifested by the reports which show that the United States deposits for this quarter exceed those of the past quarter by \$3,400.72. The total decrease of liabilities of this quarter over last is \$1,149,193.59. The total decrease of the liabilities is \$2,159,126.48.

Undivided Profits Subject to Taxation

The undivided profits of banks in Rapid City, S. D., are to be made subject to taxation, according to a decision reached by the county board of commissioners there. By this ruling, the four banks of the town will pay taxes on about \$400,000 of property that hitherto has escaped levy. The First National and the Pennington County banks are the principal ones to feel the effect of the commission's action. They will pay the tax under protest and appeal to the state board of equalization. Rapid City is said to be the only town in the state where that practice is followed.

Banker Receives Medal

Walter H. Kupfer, assistant cashier of a bank at Dallas, S. D., has just received from the government a bronze medal in commemoration of his service in the Philippines.

Minister to Be a Banker

From the ministry to the banking business is the jump contemplated by Rev. E. T. Gruell, superintendent of the Cedar Rapids district of the Methodist Episcopal church of Iowa, according to a prevalent rumor that the Rev. Mr. Gruell has not yet seen fit to deny. It is reported that he will hand in his resignation at the next session of the annual conference, in September, and go into business in a Montana town.

New Building

Work has been started on a new building for the First National Bank of Hartington, Neb., a two-story pressed brick structure, the upper floor of which will be occupied by the Masonic Lodge.

Death of David J. Pattee

David J. Pattee, of Perry, Ia., president of the First National Bank, died last week, leaving a widow and three children. He was interested in political affairs, having served his city as mayor for several terms and his county as a representative in the general assembly, and was reputed to be worth \$500,000.

Visitors

M. N. Winebrener, cashier of the Walthill (Nebr.) National, was in Sioux City Friday.

H. D. Hancock, assistant cashier of the First National of Pender, Nebraska, was in Sioux City on business Thursday.

John Sich, cashier of the Citizens Savings Bank, Fostoria, Iowa, was in Sioux City, Saturday, visiting his uncle.

O. P. Miller, president of the Lyon County National, Rock Rapids, Iowa, was a caller at the First National Tuesday.

RESENTS RECENT ATTACKS ON REPRESENTATIVE GOVERNMENT

(Continued from page 19)

ing method of leaving such matters in the hands of representatives? Very true, but will the proposed remedy better the condition? Will it not rather make it worse? In sickness we employ experts; if they fail to do well we do not abandon them for the blacksmith or the horse doctor, but call in other experts whom we hope will prove more skilful.

All the important transactions requiring skill are placed in the hands of experts; why does not this follow in regard to such matters as the adoption or rejection of proposed laws?

We must change our careless attitude toward our legislators and get better ones. There is no royal road to good government, just as there is none to learning. There is a certain amount of political activity which we must all exercise, because our government is based on general suffrage, and we must arouse ourselves if we wish not merely to better things, but to keep them from growing worse!

To escape from the party boss the party primary has been devised. Anything to eliminate the boss, was the cry. It would seem that any change from him must be for the better.

We have had it a few years in Chicago and its friends are not now so confident. Instead of the office seeking the man, which, by the way, is something of a joke, any man can run in the primary. In our judicial nominations we would prefer the boss. The boss and his lieutenants were limited in number; they were known, could be entreated, warned or threatened not to give the judicial nomination to so and so. Leading lawyers could and did protest. The bosses wanted a ticket which would win, and they were told that some candidates were ineligible, and they often took note. Now at a recent primary, for illustration, take one of the party tickets; there were about forty self-selected candidates—most of them "to fortune and to fame unknown"—many of them too well known to inspire confidence. It was an embarrassing thing for a lawyer of this party to pick out the nine or ten from the bunch for his selection, and how much more difficult for the average voter to whom the names were entirely unknown!

The primary entails an enormous expense on the candidate who goes in to win. There is no party back of him at this time. Circulars, letters, placards, bands of music, halls for his speeches, traveling expenses, press notices, etc., swell up a large bill. For a prominent office in a statewide primary a barrel of money is necessary.

The boss can be, and many times has been, beaten and ruined by the activity of indignant citizens who combine together. He thrives on the sloth of the voter. But we cannot get along without party leaders; let us see to it that they are worthy.

Oberholzer on the Referendum, p. 506, says: "The conclusions of Woodrow Wilson are those of other candid and qualified students of the subjects." He adds:

"The vote upon most measures submitted to the ballot is usually very light; there is not much popular discussion, and the referendum by no means creates that quick interest in affairs which its originators had hoped to see it excite. It has dulled the sense of responsibility among legislators without, in fact, quickening the people to the exercise of any real control in affairs. * * * Where it (the initiative) has been employed it has not promised either progress or enlightenment, leading rather to doubtful experiments and to reactionary displays of prejudice than to really useful legislation. * * * A government must have organs; it cannot act inorganically by masses. It must have a law-making body; it can no more make law through its voters than it can make law through its newspapers."

Another new idea is the recall. In legislative matters it is hardly worth while. The legislator is in for so short a time that he can be marked for slaughter at the next election. You can hardly shorten his term by a recall. There is an objection to the recall that it puts a man on trial before a jury which cannot, if it would, hear the evidence: it may throw him out of office and disgrace him when his sole misdeed is that there has been a temporary swing of the political pendulum away from the party that elected him.

As to judicial offices it is hardly worth while to point out that it sometimes becomes the highest duty of a judge to disappoint popular desires; he is then to be disgraced by a removal and notice served on his successor that to hold that office the judge must keep his ear to the ground to catch the rumble of popular favor! If there be any method more ingenious for debasing the judiciary it has not yet been called to public attention. It may be that improvements will obtain for the practical work of impeachment of all officials; the present method of impeachment seems clumsy and inoperative.

This may look like a pessimistic view to take of our public affairs, and may seem to show a lack of sympathy for the remedies which of late have been offered by many men who are apparently in earnest and are asking support because of their good intentions. It cannot be helped. A reformer gone wrong in his views may do more mischief to his country by his bad advice than the professional grafter. The Boss Tweed of politics finally will come to grief but meantime the community has lost millions by his stealings. The injudicious reformer is hard to combat because we recognize his good intentions and he arouses our sympathy, but he may undermine the foundations of the government before he is through!

Oberholzer on the Referendum, p. 500, says: "It was Rousseau who desired to simplify government and legislate by an unchecked convention, in order to bring the state back to a condition as near as possible to that ideal original form in which the citizens met together under an oak tree and made their own laws. John Adams and other patriots in this country successfully combatted such theories in the American states and organized a government of checks and balances. We in America, however, have so organized the state that the people as a mass do not draft their own laws, or generally adopt them. They do not in a body execute or administer the laws; nor again do they interpret them and adjust conflicting interests in the courts of justice. All these functions adhere to representatives whom the people themselves elect, or who are chosen at second hand by agents directly elected by the people."

There is a ray of light to be found in the practical good which voluntary societies have done and are doing in checking up unworthy representatives, exposing their misdeeds and not only suggesting better men but working for them. I refer again to such bodies as the Municipal Voters League and the Legislative Voters League. Such societies furnish an example of what may be done. They are a rallying point for the well disposed and they do the work for the individual voter which he is incapable of doing singly. It is certainly incumbent on every voter to strengthen the power of organizations of this character. They are disinterested in their labors and their good advice has produced great results.

We have shown how it has been made impossible for the poor man to go into legislative work. The result of our inability to enlist the man of means is presented in a recent valuable work entitled "Life of Alexander Hamilton," by Francis Scott Oliver, an Englishman. He says Hamilton was justly accused of being an aristocrat, and adds:

"As a matter of logic the democratic argument is conclusive; as a matter of history it is nonsense. The principle of aristocracy in a popular government is a very practical device for making use of the upper classes. We use ours while the Americans waste theirs. Titles and primogeniture may be absurd, but the fact remains that the wealthier classes in Britain recognize a public duty attaching to their position while in the United States they do not. The tradition of great English families, and of those whose ambition is to become great, is service to the state in peace and war. The tradition of great families in the Republic as yet, in the nature of things, is less defined; but so far as may be judged by a foreigner, it seems for the most part unconcerned with the duties of government, and is tending more and more toward the acquisition of commercial influence upon a scale such as the world has never before seen. The public spirit of a wealthy citizen is measured by huge donations rather than by loyal service. They appear to entertain a cockney confidence that every obligation can be discharged by the signing of a cheque. The conspicuous virtue in the one case is honor, in the other enterprise and industry; but if in a purely practical spirit we endeavor to compute the advantage to the state, everything is on the side of Britain, from the government of a parish to the councils of the nation."

Certainly we have not, as he says, the benefit of the public service of the best and most intelligent of our citizens. How can we acquire it? We sadly, imperatively need it. By reason of our parsimony we keep out the services of the worthy but poor men, and we do not make official position attractive to the man of means who is otherwise qualified. In process of time, when the people are awakened to the necessity, we may conclude to give pecuniary reward for our legislators sufficient to enable a poor man to undertake the work. In the meantime can we not stimulate the patriotism of those able to endure the burden, to go into public life? As the offices are filled by better men the positions will be regarded with more respect and there will follow a greater willingness to assume the task.

We have as a people made no organized effort to improve the character of our representatives. We have contented ourselves with denunciation. To accept the conclusion of many critics that the legislator is hopelessly incorrigible is to admit the failure of democratic government. We cannot afford to make any such admission. Is it not better to resolve solemnly that we will address ourselves to curing this acknowledged evil by attacking it directly, than to embark on these hazardous experiments that are so repugnant to our settled convictions of conserving our constitutional safeguards and restrictions?

Oberholzer on the Referendum, p. 504, says: "The Portland Oregonian, a leading newspaper of the state, at first favorable to the new system of law-making, said in 1908:

"That both initiative and referendum within proper limits might be useful was the belief of large numbers who joined in voting for their adoption, yet who did not foresee that they would fall into the hands of faddists, sophists, schemers, doctrinaires of all sorts, who would appeal to them against representative government and methods of ordinary legislation. They were adopted under the impression that they were to be the medicine of the constitution cautiously administered when occasion might require; not its daily bread. * * * They encourage every group of hobbyists, every lot of people burning with whimsical notions, to propose initiative measures or to interpose objections through referendum appeals. They have the effect practically of abolishing constitution and laws altogether; or, at least, of keeping people who would defend the

stability and orderly progress of society always on guard, always under arms for their defense."

Why cannot we reorganize the personnel of our legislatures; why cannot we bend our energies to urging better talent to accept such offices; why cannot we broaden the area of available candidates by offering greater rewards both of pay and honor, instead of reducing the acknowledged low grade we now have by diminishing the duties and responsibilities of the position?

May we not, can we not lend a hand? Do we not see that grave peril awaits? Shall we not do something to arouse ourselves and our neighbors to our public duties? Can we not encourage those among us who have the means and the leisure, to consider that public service will be sweeter in its reward than the heaping up of wealth? Can we not help to denounce the local grafter and push him aside, not for a time, but forever?

We need good and wise men at the front. We must not be disheartened. The words of that great English friend of our country, found in the preface of his work on The Commonwealth, should give us encouragement. He calls ours The Land of the Future. He says:

"A hundred times in writing this book have I been disheartened by the facts I was stating. A hundred times has the recollection of the abounding strength and vitality of the nation chased away the tremors."

With warnings from many directions coming through the air, we must not, we cannot, we shall not allow incompetent seamen to drive our great Ship of State against the icebergs!

H. W. Fenton

Howard W. Fenton, vice-president of the Harris Trust and Savings of Chicago, is spending his vacation in Lakeside, Mich. He expects to be away about a month.

BANK NOTE 500 YEARS OLD

Philadelphia, Pa., July 31.—The subtreasury here has just received with an application for redemption a Chinese bank note, which is more than 500 years old. The note was issued during the Ming dynasty, in the reign of the Emperor Tai Tsee, who occupied the throne from 1368 until 1399. Its value is one kwan, or a string of cash.

CROSS BILLION DOLLAR LINE

Exportations of manufactures in the fiscal year just ended more than justified the estimate of the Bureau of Statistics, Department of Commerce and Labor, that the total value would in 1912 for the first time cross the billion dollar line. That bureau, which has just completed its figures showing the exportation of manufactures, states the total value of manufactures exported in the fiscal year at \$1,021,753,918, of which \$674,302,903 was the value of manufactures ready for consumption and \$347,451,015 that of manufactures for further use in manufacturing.

This does not include foodstuffs which have undergone a process of preparation or manufacture, since the bureau groups articles of that class under the general heading of "food stuffs" exported. This 1,022 million dollars' worth of manufactures exported in the fiscal year 1912 is more than double that of 1903, three times that of 1898, four times that of 1896, five times as great as in 1894, practically six times as great as in 1890, and ten times as great as in 1876, the value of manufactures exported in a single year never having reached as much as 100 million dollars until the year 1873. Comparing 1912 with 1902, a decade earlier, the totals

are: manufactures ready for consumption, in 1912 674 million dollars, against 322 million in 1902; manufactures for further use in manufacturing, in 1912, 347 million dollars, against 132 million in 1902; total manufactures exported, in 1912, 1,022 million dollars, against 454 million in 1902, having thus increased about 125 per cent during the decade.

NOTES OF INTEREST

W. E. Spurling, William Nichols, and T. W. Graves have incorporated the Citizens State Bank of Trempealeau, Wis., with a capital of \$10,000.

The new stock of the National Shawmut Bank, of Boston, has been fully subscribed, bringing the capital up to \$10,000,000.

P. A. Fisher has been elected cashier of the First National Bank of Wilbaur, Mont., succeeding E. J. Armstrong, Dennis Grove assistant.

Auditor McCullough has issued a permit to J. F. Mackey, J. J. Bundy, A. J. Guerrettaz, H. G. Cornick, Max Prill, R. J. Birge and E. L.

Welton for the organization of the Centralia Trust & Savings Bank, to be located at Centralia, Marion County, with a capital of \$50,000 and a charter tenure of fifty years.

The State Bank of Dalton, Wis. has been chartered, capital \$10,000. J. M. Kelser, F. J. Yahr, Richard Schnily, S. M. Vaughn and Chas. Dalton.

J. S. Calfee, cashier Mechanics-American National Bank, and a member of the Executive Council of the American Bankers Association, is spending his month of recreation at Wequetonsing, Mich.

The First State Bank of Ely, Minn., has been incorporated, capital \$25,000. Jas. Noonan, A. D. Ellefson, Geo. Brozich, all of Ely. Theo. Albrecht, of Minneapolis, and G. H. Good of Winton.

The Texas banking department has authorized the following reserve agents: For the First State Bank of Hillboro, the Central Exchange National Bank of Waco; for the Guaranty State Bank of Lufkin, the American Exchange National Bank of Dallas.

Overdraft → 550.00 #	313.25
1050.00 ■	854.18
660.00 ■	136.20 # ← Overdraft
1122.00 ■	127.90 # ← Overdraft
Overdraft → 175.00 #	756.99
750.00 ■	862.00
3582.00 *	2786.42 *
Total Bal. → 3582.00 ■	2786.42
Overdraft → 725.00 #	264.10 #
Net Bal. → 2857.00 §	2522.32 §
	334.68 ← Difference
2857.00 *	2857.00 *

Old and New Balances At the Same Operation

It is now possible to add Old Balances and New Balances at the same time on the same machine, each to the full capacity of the adding machine keyboard.

Old Balances can be added in one column and New Balances in another, the carriage on the machine automatically shifting back and forth to bring the sheet into proper position for each item.

The shifting of the carriage sets the machine to add, first Old Balances then New Balances, each in its proper column and each column adding on a separate set of adding wheels.

When all balances, Old and New, have been entered on the sheet, totals are taken in the usual way, each under its proper column, just as easily as if only one column had been added.

At the same time, this machine gives information of much value in addition to the balances—new accounts, withdrawals, overdrafts, net balances, etc.—all at the same operation.

This illustrates only one of the possibilities of Burroughs Duplex Shuttle Carriage Machines. It will do at least a dozen equally as wonderful things on bank figure work.

One of our men can show you the most interesting features on this machine in about 30 minutes. May we tell one of them to stop in and see you?

Burroughs Adding Machine Co., 65 Burroughs Block, Detroit, Mich.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$6,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell. \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/2-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER, 407 Monadnock Building, Chicago.

Department of New Business

NORTHWEST

Saukville, Wis.—The Saukville State Bank has been incorporated with a capital of \$10,000. H. J. Hale, E. L. Eastman and others are interested.

Waterloo, Wis.—The Waterloo State Bank has been organized with \$30,000 capital. John D. Johnson, L. G. Sheppard, and J. W. Harger are interested.

Hanna, Ind.—The Farmers and Merchants Bank has been organized here with George D. Laramore as cashier.

Ely, Minn.—The First State Bank is organizing with the following directors: G. L. Brezich, M. J. Murphy, A. D. Ellefsen, A. S. James, G. H. Good, James Moonan and Theodore Albrecht.

Juanita, N. D.—The First State Bank has obtained a charter. C. H. Davison, Jr., Allen B. Miller, of Canington, and C. F. Ross, of Minneapolis, are interested.

Lincoln, N. D.—The First State Bank has been chartered with \$10,000 capital. E. F. Volkmann, A. I. Volkmann, and B. H. Edminster, all of Fessenden, are interested.

Makoti, N. D.—The First State Bank has been chartered. August Peterson, of Harvey, L. E. Linder, of Plaza, C. H. Christianson, of Ryder, are interested.

Manning, N. D.—The First State Bank has been chartered. C. E. Kapelovitz, of Minneapolis, A. N. Beiseker, of Harvey, and Elmer Nelson are interested.

WEST

Jamestown, Cal.—The Bank of Jamestown, with a capital of \$25,000 has been organized. The directors are: Geo. W. Johnson, of Tuolumne; Joseph Gondolfo, and C. E. Shafer, of Jamestown; C. A. Belli and C. H. Segerstrom, of Sonora.

Rock Springs, Wyo.—The North Side Bank has been organized with \$75,000 capital. F. S. David and John Bertagnoli are interested. This bank was erroneously reported at Rock Springs, Colo.

Greenwood, Neb.—The Farmers State Bank has been incorporated with \$15,000 capital. W. E. Paixling is president and O. A. Johnson, cashier.

Forgan, Okla.—L. L. Stine, of Woodward, and J. W. Savage, and R. A. Maple, of Beaver, are organizing a bank at this point.

SOUTH

Chester, Ark.—The Bank of Commerce has filed articles of incorporation. Ezra J. Morgan, G. C. Smith and C. P. Hornback are interested.

Little Rock, Ark.—The Citizens Bank and Trust Company with a capital of \$250,000 has been incorporated by J. H. Creath, William Pritchard, J. M. Toohey, W. R. Cross, W. L. Moody and James E. Stark.

Bishop, Ark.—The First State Bank has been organized her with B. E. Kinder as cashier.

Birmingham, Ala.—The Commercial Bank and Trust Company has succeeded the Commercial State Bank with \$100,000. W. J. Adams is president, W. F. Latham, vice-president, J. W. Hughes, Jr., cashier.

Telford, Tenn.—The Telford Banking Company has been organized with \$15,000 capital. The officers are W. A. Maloney, president; W. J. Propst, vice-president, and C. M. Maloney, cashier.

Chattanooga, Tenn.—The Tennessee Trust Company has been organized. G. K. Henshall, V. A. Smith, J. L. Henderson, and W. W. Long are interested.

La Belle, Fla.—The Bank of La Belle has been organized with \$25,000 capital. W. W. Appleton, of St. Petersburg, is interested.

Pilot Point, Texas.—The First State Bank has obtained a charter. W. E. Atkins, J. M. Jones and F. A. Wright are interested.

Toccopola, Miss.—The Bank of Toccopola has been organized with \$30,000 capital. The officers are as follows: J. W. Furr, president; W. W. East, vice-president; Wiley Moore, cashier.

Parrott, Ga.—The Planters Bank has been organized with a capital of \$15,000. J. W. Tilley is president, H. A. Cook, vice-president and Marvin Pierce, cashier.

Plainville, Ga.—Bank of Plainfield is the title of the new bank organized here. H. M. Veach is president, W. B. Floyd, and C. R. Mosteller are vice-presidents, and Cleve Shaw. The directors are E. J. Martin; L. L. Floyd; Z. C. Scott; W. E. Walters; L. P. Henby, and S. J. Whatley.

EAST

Darby, Pa.—The Darby Bank has applied for a charter. C. V. Roberts, J. B. Simpson, W. H. Harding, Adam Gotshall, M. P. Hutson and A. L. Skilton are interested.

Andrews, S. C.—The Bank of Andrews is reported with the following officers: President, W. H. Andrews; vice-president and cashier, H. W. Fraser.

Cheraw, S. C.—The Citizens Bank has been organized with \$50,000 capital. M. B. Smith, J. A. Watson, and P. A. Murray are interested.

HANDING IT TO F. O. WATTS

Nashville, July 31.—When F. O. Watts picked up his belongings, including Mrs. Watts and the family, to take train for his future field of operations in St. Louis, he was handed a set of beautifully engrossed resolutions, passed by the Nashville clearing house association. They hated to lose Mr. Watts and said so. Society didn't like to give up Mrs. Watts but had to. Among other things, the clearing house resolutions said: "We realize that in his departure we all lose a friend, and this association loses a member deeply interested in its welfare and its work, whose calm discrimination and wise counsel have been invaluable to us, and whose public spirit has been of signal service to this city and this state." This is no mere figure of speech, but the exact truth.

WILSON'S KEYNOTE TARIFF CUT

Seagirt, N. J., July 25.—Woodrow Wilson makes uniform downward revision of the tariff the central issue in his speech of acceptance, which virtually was completed to-day, according to information received here. Those who are close to the governor expect he will not discriminate in favor of any special interest or any locality. The South and West will be treated alike. The commercial interests of those and all other sections will be included in the demand for abolition of high duties.

SAFE DEPOSIT COMPANY DECLARES DIVIDEND

Harris Safe Deposit Company, which owns and operates the Harris Trust Building, has declared an initial dividend of one per cent upon its capital stock, payable August 1, 1912, to stockholders of record at the close of business July 23, 1912.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

the farmer, and how his interests have been neglected in an educational way.

OUR American farmer has nearly \$40,000,000,000 invested in his business. He produces \$25,000,000 of new wealth every day. He uses hundreds of millions of dollars of bank credit every crop season.

BUT, by reason of our antiquated banking system, the farmer bears the burden of dear money. He pays more for credit than the farmer of any other great commercial nation. The lowest money rates in this country are paid by speculators in the financial centers; the highest rates are paid by the farmer.

THE higher the rate for agricultural capital, the higher the cost of production, the higher the prices of agricultural products and the higher the cost of living. The farmer and the buyer of the farmer's products will both gain by a reform of our banking system.

DOWN in the Southwest "the custom is" in the country banks to advance the farmer but \$50 at a time, for which he gives his note for \$65, due in six months. They don't call it "interest," and it isn't. It's usury. Plain unadulterated usury of 5 per cent a month. A Chicago or New York loan shark who would charge such rates would be arrested and locked up.

LET our coming conference take up the financial as well as the educational end of the farmer issue and we shall begin to have more comfortable times at once.

A LOT of New York and eastern bankers went through Chicago on Tuesday—New York Central and Chicago and Northwestern lines—on their way to the Detroit convention, but headed west. The month or so before the convention will be spent in exploring the big national parks and in visiting points of interest in Canada and in the coast states. They've got the habit.

IN harmony with the great weight of authority the supreme court of North Dakota, in the very recent case of Pickett vs. Baird (133 N. W. 1026), holds that a bank transmitting a check direct to the drawee bank for collection is negligent.

"IRVING NATIONAL BANK" has been voted on as the new title line for Lewis E. Pierson's big New York bank. Through consolidations its name had become almost as long as that of an English lord. Now it's back to the simple life.

J. FLETCHER FERRELL was going to play golf right up to the last minute of his vacation—August 1st—but the bracing Chicago atmosphere was so bracing after Paris (Mo.) that he was back "on the job" bright and early Wednesday. Two years in Chicago has made him as big a "booster" as anybody.

OKLAHOMA is hoping for rain to fill out the corn crop. Other grains all harvested. Good crops will save a serious situation.

AFTER all, W. F. Hurley will not require those rooms at the Ponchartrain, which he was going to reclaim at muzzle of the musket, for the Detroit convention. After a brief career with the Republic he has resigned.

HE hurt the feelings of the good Colonel Farnsworth and of the hotel committee and has had Col. George H. Russell railing at THE CHICAGO BANKER ever since "for publishing the Hurley declaration of war," which it didn't do. Several New York papers did publish it to get even with 11 Pine Street. The attack was not in the least justified and should be forgotten as a mere episode.

IT wasn't because of this open letter that Mr. Hurley resigned, but for the purpose of engaging in business on his own account.

THEY'RE booming your Uncle John L. Hamilton of Hoopston for the vice-presidency on the Bull Moose ticket with the Colonel. But how can you vote for John without including Theodore?

JOHN C. F. MERRILL has been elected secretary of the Chicago Board of Trade to succeed G. F. Stone, deceased. Formerly Mr. Merrill was its president.

MEMBERS of Illinois Bankers Association are not satisfied with the present plan of allowing the hotels in the annual convention town to fix the dates for the event. It works inequitably. It lengthens the term of some presidents and shortens those of others. Some of them get wearing the presidential (Halliday) pin to two A. B. A. conventions and others to none.

NELSON H. GREENE, member of both Illinois and A. B. A. executive councils, has filed with the secretary an amendment to the constitution providing that state convention dates shall be fixed by the executive council, as they are in other states, and that they shall come not later than ten days before the A. B. A. dates.

THE full amendment reads, after striking out all of section 1, article 5, as follows: "Annual conventions of this association shall be held provided said annual conventions are held, at least ten days prior to the annual conventions of the American Bankers Association. It shall be the duty of the executive council to issue the call for the annual conventions. The secretary shall give each member not less than two weeks' written notice of said annual convention."

SECRETARY HARRISON of Oklahoma has a sense of humor entitled to recognition by his fellow craftsmen in the secretarial line. After threatening to prefer charges at Detroit against George D. Bartlett for exceeding the (secretarial) speed limit on his new touring car, he goes on to say:

"SECRETARY BARTLETT has just been presented by the 700 and more banks which constitute the membership of the Wisconsin association, with a handsome seven-passenger Kissell touring car. Bartlett has been keeping his name in the headlines for some time past until he has become the envy of the other secretaries who can only perform their functions in a calm and unattractive manner, and here he comes with a trophy worthy of the chase. How can the other secretaries ever hold up their heads again?"

STRIKING his gait again Mr. Harrison continues: "Well, the game has only started. Hall of Iowa is reported to have ordered an underslung special make for the purpose of catching forgers who hide in the big corn belt, to be paid for by the Iowa association. Hughes of Nebraska has made requisition on the executive committee for a big red devil capable of capturing the Wymore gang. Bowman of Kansas wants a limousine to entertain the feminine section of the K. B. A., and Keyser of 'Old Missouri' is reported to be circulating a petition for a high power machine that can beat Fred Farnsworth's A. B. A. Special."

"M. L. RIDDLE of Austin, press representative of Secretary Hoopes, and good looking, is working up a deal to trade advertising in the Texas Bankers Record for a two-seated runabout which can cross the Lone Star commonwealth in twenty-four hours and get enough ads. to pay for itself. Hoopes has an auto so somebody else is entitled to this one. (The extra seat is spoken for.) Mrs.

Brown, the Michigan secretary, rises to demand an electric coupe equal to any on Woodward Avenue. Even from far off Ohio come whispers of conspiracy. 'It's rank,' says Rankin, 'to think that the oldest and handsomest of the secretaries should not have been the first to be presented with an auto.'" Mr. Harrison pays his respects to Frost and Macfadden and then says that Bartlett, "when presented with the car, asked, 'Who is going to buy the gas?' and somebody softly replied, 'Let George do it.'"

CHAIRMAN JOSEPH CHAPMAN, JR., of the "Conference" has written Secretary W. G. Edens of the Illinois committee, on the report that but one delegate is going up from this great state next week as follows:

"IF your committee only sends one man they are going to get lost. We have seven or eight coming from Kansas, five from Nebraska, fifteen from South Dakota, eight from North Dakota, six or seven from Wisconsin and seven or eight from Iowa. Urge your committee to get busy, and if they can't come, send some one in their place."

TRULY this is the most interesting and profitable of the whole year's sequence of bankers' meetings. Last year's conference revolutionized the work of the state bankers associations and gave the good old A. B. A. its first real live issue in ten years. Next week's meeting will be followed by important results.

GEORGE B. CALDWELL again has been forced to disclaim any rivalry on the part of the new investment organization toward the A. B. A. It ought not to be necessary but it is, and this time he is very emphatic. The new association has discovered a field of its own and intends to occupy it. CASHIER.

H. E. Otte

H. E. Otte, vice-president of the National City Bank of Chicago, is out of the city on his vacation, which will be spent in Michigan.

MILWAUKEE CONVENTION SOUVENIRS

Convention favors were handed out with a generous hand at Milwaukee and included a little Wisconsin bank directory for 1912 with the compliments of the Wisconsin National, as well as an envelope opener. Marshall and Ilsley made a hit with their individual drinking cups, while George Bartlett's screw driver was received very favorably. The First National's lead pencils were the most artistic ever handed out.

EDWIN C. BAUR

Edwin C. Baur, of the Fort Dearborn National of Chicago, will attend the national convention of the American Institute of Banking to be held in Salt Lake City, August 21st to 23d, as a representative of that institution.

DEPOSITORS GET DIVIDEND

Superintendent George C. Van Tuyl, Jr., of the New York state banking department, directed this week payment of a second dividend of 15 per cent, amounting to \$28,081, to the creditors of the State Savings Bank, New York City, which was closed on December 1, 1911, following the arrest of the teller, John Pucci, for defalcation. The bank had 1,100 depositors. The total amount of its assets was \$153,937, and there is an aggregate of uncollected assets valued at \$92,366. The total amount of claims filed against the institution was \$180,061. The first dividend was paid on March 30th, when \$25,935 was distributed.



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

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Reid, Murdoch & Company
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The Brandt Automatic Cashier

SAVES

all the bother
and worry of
counting and
picking up
small coins.

Saves 25% in
time.

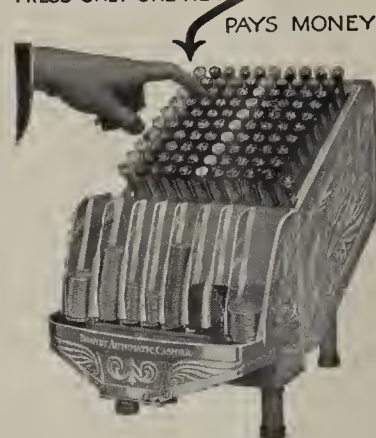
Prevents

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It's

automatic.

PRESS ONLY ONE KEY



Paying ONLY ONE KEY
Completes the Transaction

71¢

COSTS

less than
5 cents a day
to own.

Requires no
supplies — no
repairs.

TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY

727 SO. DEARBORN ST.

CHICAGO



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

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City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank

OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

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W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank

OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
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Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

AUGUST 10, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

At Detroit

Col. Frederick E. Farnsworth has issued a tentative program for the Detroit convention which will convene in that city on Monday, September 9th. Headquarters will be at the Hotel Ponchartrain and the sessions at the Detroit opera house. Notice is given that the hours indicated on the program will be adhered to strictly. The executive council, vice-presidents and honored guests are invited to take their seats on the platform. The first formal session will occur on Tuesday morning at 10 A. M. and will be called to order by President William Livingstone. Addresses of welcome will be delivered by the Hon. Chase S. Osborn, governor of Michigan; W. B. Thompson, mayor of Detroit; George H. Russell, president of the clearing house, and Homer Warren, president of the board of commerce. Those who will respond to these addresses of welcome have not been selected yet. Next will come the annual address of President William Livingstone, who will be followed by the annual reports of the various secretaries and chairmen of committees, including the report on amendments to the constitution by Chairman Arthur Reynolds of the council. So far as the main portion of the program is concerned, Tuesday and Friday, the two days devoted to the sessions of the A. B. A. proper, the list of speakers is not yet ready for announcement. The programs for the sections practically are completed.

The trust company section will make a very strong showing at its session on Wednesday and Thursday mornings. Among the speakers secured by President F. H. Fries and Secretary Babcock for this section are George M. Reynolds of Chicago, who will speak on the money trust inquiry, being the first banker of the United States so publicly to tackle this mooted subject; Oliver C. Fuller of Milwaukee on a proposed model trust company law; Henry M. Bates, dean of the University of Michigan on "Some Unscheduled Liabilities;" Breckenridge Jones of St. Louis, without whom no trust company program is complete, will speak on the achievements of the trust company section during the past fifteen years. Mr. Jones gets the credit for having discovered the opportunity for this section and with playing a large part in bringing it up to its present high state of perfection. Other speakers will be F. H. Goff of Cleveland and L. H. Dinkins of New Orleans.

The savings bank section will present a very strong list of speakers at their session on Wednesday and Thursday mornings. President Alfred L. Aiken will call the section to order and preside. Chairman J. F. Sartori will report for the executive committee and E. J. McWilliam will read his report as secretary. N. F. Hawley of Minneapolis will speak on school savings banks, and the Hon. Frank H. Hitchcock on "The Postal Savings Bank and the Banks." Edward Chamberlain of Texas, who has been traveling in Europe for the past six months investigating the loan banks, will deliver an address on that subject. John J. Pullpyn of New York will talk on the savings bank and the community. Other speakers will

(Continued on page 9)

Two Western Bankers in the Lime Light



JOSEPH CHAPMAN, JR.
MINNEAPOLIS



GEORGE B. CALDWELL
CHICAGO

Joseph Chapman Jr. is in the class with Christopher Columbus as a discoverer. Christopher discovered a new continent but he did it only once—never repeated. Chapman began early and has kept it up. He discovers new issues—new problems—for bankers and has done as much as any man alive to disarm public prejudice against the banker. The chapters of the A. I. B., the money order system and traveler's check of the A. B. A., and the agricultural and educational movement now spread to thirty states are the fruits of his brain.

George B. Caldwell saw the need of an organization for investment bankers. He went to it and this week saw the new association properly set upon its feet in New York. His metal will be tested the first year of its life but those who know his ability and energy predict his success and wish him good luck.

Edwin L. Wagner

Edwin L. Wagner, president of the National Produce Bank of Chicago, recently has returned from a trip through Yellowstone Park and the West.

COLONIAL TRUST OFFICERS IN EUROPE

Landon Cabell Rose and Jacob Mortenson, president and vice-president respectively of the Colonial Trust and Savings Bank of Chicago, are in Europe. They are expected back in Chicago in about two or three weeks.

L. A. GODDARD ON FINANCIAL SITUATION

L. A. Goddard, president of the State Bank of Chicago, in speaking on the general financial situation, says:

"I believe there is nothing to cause unrest. Bank deposits are keeping up fairly well, and the demand for money is quite active, with good rates prevailing. I think that this will continue through the fall. The West has very large crops and the indications are that they

will be moved promptly, which will call for lots of money. The banks, however, are prepared for this. I do not believe that there will be any surprises up here. I believe that bankers generally understand the situation and have conditions thoroughly in hand."

HARRIS TRUST OFFICERS AWAY

E. P. Smith, secretary of the Harris Trust and Savings, is in Europe. J. S. Broeksmit, cashier of the same institution, who has been abroad, is expected back about Monday of next week.

CHICAGO BANKERS FAVOR CHANGING SIZE OF MONEY

Chicago bankers as a whole seem to be in favor of Secretary MacVeagh's proposal to reduce the size of the paper money of the United States. The present bills measure seven and one-fourth by three inches; it is proposed to reduce them to six by two and one-half inches. Confusion resulting from stacking the new bills with the present ones appears to be the only objection to the plan. It is said that the government will save \$1,100,000 per annum if the new size is adopted.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
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HERMAN WALDECK	- - -	Vice-President
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JAMES R. CHAPMAN	- - -	Vice-President
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WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

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HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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We Can Assist Bankers to Increase Their Foreign Exchange Business

If you desire to increase your foreign business, write us and we will send you practical suggestions as to how this can be done. Address, Department 23,

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LEIPZIG
GERMANY

Fort Dearborn National Bank

CHICAGO, ILLINOIS



United States
Depository

Capital	- - -	\$2,000,000
Surplus and Profits	- - -	600,000
Deposits	- - -	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
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GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
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We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES - Assistant Cashier

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EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

GEORGE and F. W. WOODRUFF, Joliet, left Sunday for a month in Europe to study the land-bank and farm-loan systems first handed. They want their new banking venture, which will cater to farmers, to be up-to-date when it starts.

ON their return to New York, September 7th, they will join one of the Banker Specials for Detroit and join the Illinois crowd in time for the A. B. A. meeting.

J. F. SARTORI, head of the big Security in Los Angeles, will be back in New York from Europe at the same date and will come on to Detroit.

MR. SARTORI, who is chairman of the executive committee of the savings bank section, sailed for an automobile tour of Europe with his family immediately after the Briarcliff meeting of the council. He and another Los Angeles patriot have a unique contest on hand.

MR. SARTORI is to take with him his Big Six Winton, use it and bring it back, in an expense contest with the other man who is to buy a European car over there and sell it before his return at the end of the season. All outlay to be carefully kept. Mr. Sartori takes his own chauffeur along, and his rival hires one in Europe.

DOWN state reports are that Col. Aisthorpe's friends are to be real busy while Geo. Woodruff is in Europe. The chairmanship will be in good hands whichever gets it.

FRRIENDS of Frank T. Joyner are busy with the executive council map, finding out his chances for the secretaryship of the Illinois association. With Mr. Joyner's acquaintance and former membership in the council it ought to be easy to figure it out.

COL. FUNK, on the progressive ticket for governor, will pick up a few votes from Dunne, whenever the voter remembers the reign in the Chicago city hall, of Margaret Haley, Cornelia De Bey and Louis F. Post. Hard to forget!

REALLY, with Deneen, Dunne, and Funk to choose from, Illinois is quite certain to get an honest, high-minded executive. They differ chiefly in availability.

GEORGE F. ORDE and family have spent the past six weeks on the coast of Maine but now are back in Minneapolis. Mr. Orde is on the Chicago-Detroit transportation committee and says the Twin-Cities can fill one car.

LUTHER DRAKE and Victor B. Caldwell of Omaha will be at a table with Mr. and Mrs. Ralph Van Vechten. Wm. A. Health, Chicago, has a table for four. Hurry up and get on the list.

SECRETARY J. W. HOOPES of Texas and president of the secretaries section, A. B. A., will go over to Detroit with the St. Louis bankers and come back with the Chicago delegates. He says the convention com-

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

M. L. RIDDLE & CO. Bankers Agents Austin : Texas

GEO. E. SHELLEY, Atty.; ABE GROSS, Atty.; M. L. RIDDLE, Ex-Chief Clerk State Banking Dept., author *Digest Texas State Banking Laws*.

Some of the things we do:

Advise coming bond elections and value of property to be levied against. Furnish statements of Texas Banks. Take charge of all your Texas business. Furnish information of Texas corporations, value of stock, etc., etc.

References:

ANY BANK IN ANY CITY OF TEXAS

ing in the very midst of the cotton harvest will keep many Texas bankers at home.

E. J. and MRS. CURTIN of Decorah, Ia., have been doing the Yellowstone. They, with Mr. and Mrs. H. M. Carpenter of Monticello, will have a "four" table at the banquet on wheels.

N. E. and MRS. FRANKLIN of Deadwood will be accompanied to Detroit by the beautiful Miss Franklin who was so greatly admired at Briarcliff.

SOUTHWESTERN BANKER has a very interesting paragraph about R. T. Forbes, head of the big First National at St. Joseph, Mo., and who formerly was president of a big Chicago bank.

"R. T. FORBES," says the S. B., "president of the Commerce Club and president of the First National Bank, is tireless in his efforts to improve conditions on the farm. When 160 members of the Commerce Club

visited Trenton last month, Mr. Forbes made a timely address urging the county court of Grundy county to regularly employ an expert with the title of county superintendent of agriculture. The fire of his eloquence brought quick results. Grundy county has carried out his suggestions. It is now up to Buchanan county to follow suit in the good work."

WISCONSIN has joined the progressives in the A. B. A. In this issue will be found a communication from A. J. Frame, whose disposition to say fiery things hasn't been modified by a Horlick's diet. He quotes the result of the A. B. A. members' meeting at the Milwaukee convention and we don't blame him.

WISCONSIN has had the very ablest representatives her bankers could find on the executive council. Yet during Mr. Frame's term he was given no committee or commission representation. Neither was John J. Sherman until Chairman Arthur Reynolds was elected. He immediately gave Mr. Sherman an important committee appointment. It only was justice.

THE committee on amendments will be busy at Detroit, and it might be well if the convention should ask this committee to present a full draft for a new constitution entirely. There are many good men on the committee but Mr. Frame and others could be added.

HERE'S the Fort Dearborn line-up for the dinner at the Banquet on Wheels: Mr. and Mrs. W. A. Tilden, Mr. and Mrs. Nelson N. Lampert, Mr. and Mrs. J. Fletcher Farrell and two not named. They draw a "double-four."

MINNEAPOLIS and St. Paul will have their own car which will be "hitched on" at Chicago. Geo. F. Orde of the First National, Minneapolis, or Charles R. Frost, secretary M. B. A., can fix up reservations for those who will come from that point.

W. H. PRATT, Jr., has been elected president of the enlarged Brule National at Chamberlain, S. D. The Bank of Chamberlain has been taken over and E. E. Dye, A. G. Hill and H. I. Lawrence elected directors.

THE new vice-president of the Brule is H. I. Lawrence and the cashier is Geo. F. Pitzer. The enlarged Brule National will continue to occupy its present quarters. C. B. Mills of Clinton, Ia., was president of the bank.

AUGUST 19th and 20th are the dates set for the Colorado convention at Pueblo. The formal invitations are out for the bear-meat barbecue.

THE closing of three St. Louis hotels—the Southern, Beers' and Pechman's—is attributed by the brewers to the dry Sunday enforced by the present blue laws. Business men are to appoint a committee to report on the matter.

(Continued on page 31)

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ST. PAUL

The Agricultural Conference

MINNEAPOLIS

Minneapolis, August 8th.—A two-days' session of the second annual conference of the committees on agricultural development and education, representing the state bankers associations in twenty-four states, has just been concluded in the Twin Cities. The sessions of the first day were held in the assembly hall of the Radisson Hotel in Minneapolis, and those of the second day were held in the assembly hall of the St. Paul Hotel in St. Paul. Following up the custom of last year, Chairman Joseph Chapman, Jr., practically impounded the delegates and there were no absentees from any of the four sessions held. In both places adjournments were taken for luncheon, which was served with the compliments of the clearing house associations of the two cities, after which the delegates went back for further participation in the program. A large entertainment was held at the Lafayette Club on the shores of beautiful Lake Wnetonka on Wednesday evening, all of the delegates present and nearly all of the bankers of both cities being present. There were several very prominent delegates present, including George M. Reynolds of Chicago, who is deeply interested in the work and who is serving as a substitute for W. G. Edens, who is absent in the West and who sent the following telegram, which was read to the delegates present and the sentiments loudly applauded:

Denver, Colo., Aug. 6, 1912.

Hon. Joseph Chapman, Jr., President Conference of Agricultural Development and Educational Committees, Hotel Radisson, Minneapolis, Minn.

I regret exceedingly that the twenty-seventh biennial session of the Supreme Lodge Knights of Pythias, of which I am a member, convening here to-day, prevents my attendance at your important conference. In my humble opinion the bankers of the United States, and particularly of the state and national organizations, never have engaged in a more patriotic or unselfish work than is embraced in the splendid program provided for the conference of the Committees on Agricultural Development and Education, nor calculated to bring more substantial benefits for the welfare of the nation. Illinois bankers, under the direction of their talented president, B. F. Harris, already have committed themselves to this great work.

WILLIAM G. EDENS, Secretary,
Committee on Agricultural and Vocational Education, Illinois Bankers Association.

Chairman Arthur Reynolds of the Big Council could not resist the temptation of spending a day or two in the Northwest, and came up from Des Moines with E. J. Curtin, P. W. Hall, C. H. McNider and other Iowa bankers. He listened attentively throughout the sessions to every discussion, and as is his custom, treated the whole matter seriously. Arthur Rodgers of this city, a popular clubman and large lumber operator, was appointed chairman of a special committee on entertainment to show G. M. Reynolds over the two cities, and the record

Second annual meeting breaks all records for similar occasions in interest, attendance, work done and in the high character of those engaged in the program. George M. Reynolds gives it his earnest personal indorsement, also from a banking standpoint. Founder and Chairman Joseph Chapman, Jr., believes in the absolute success of the movement. Educators all highly pleased

has it that every bank in both Minneapolis and St. Paul was visited in a "big six" touring car which kept close up to the speed limit at all times. So far as the program provided is concerned, it probably is the best ever presented to a similar conference, or to a conference on any other topic in this country. The men present represented every branch of educational employment, and included railroad presidents, college professors and distinguished educators like Edwin G. Cooley, formerly head of the Chicago schools and for several years a student of the educational methods of Europe, about which he talked most interestingly to those present. Other features of the program were talks by the Hon. Carroll S. Page, United States senator from Vermont, Prof. John Monroe, of Cokato, Minn., who talked on agricultural high schools in that state; also by Dean A. F. Woods of the Minnesota Agricultural College, St. Paul, and by the Hon. L. B. Hanna, member of congress from North Dakota and James J. Hill of the Great Northern Railway, St. Paul.

At this year's conference, as at that of last year, John Monroe, head master of the agricultural high school at Cokato, Minnesota, was one of the most engaging and interesting of all the speakers. His remarks, in part, of course, covered ground familiar to many of his hearers, but, like the others, he was addressing the larger audience sure to be reached by the proceedings book, which circulated by the thousand last year. In part he said:

Prior to the last few years, the high school system of the United States was practically uniform, but, under the leadership of such organizations as this, school men have been pulled out of their rut and forced to assume the responsibility of meeting the educational problem in a common-sense way. Diversification is creeping into the system. We now have two distinct types of high schools coming into existence. We might call one the commercial-industrial and the other the agricultural. Each of them retains, primarily, the backbone of the old uniform type; but, together with this they possess a diversification of curriculum, which fits them to the communities in which they are placed. Our discussion deals with the agricultural type.

The agricultural high school is best developed within an urban-rural community, because the population, conditions and ideals of such a community are best adapted for its maintenance. It would not be well to introduce a distinctly agricultural high school into

such cities as Milwaukee, or even Racine or La Crosse. These cities might well maintain a course in agriculture, but to maintain a distinctly agricultural school all conditions must be such that the community can be easily unified. A town with a population of say up to 2,000, with a good agricultural community surrounding it, should by all economic rights maintain a high school distinctly agricultural.

Minnesota has been attempting to develop the agricultural high school. Under the Putman and Lee-Benson acts a system of schools is being built up that will soon be the pride of the state.

The Putman act appropriates \$2,500 toward any high school that will maintain efficient courses in domestic economy, manual training and agriculture. This \$2,500 is given provided the local school expends \$1,250. If it expends less than that, it receives \$2 for every dollar expended. There is another feature connected with the Putman act that is valuable. Under this provision, the central school will receive \$150 for every rural district associated with it for the maintenance of the courses mentioned. The district must levy a tax of at least two mills upon its assessed valuation for the maintenance of such work. The law also provides a fifty dollar appropriation toward the rural district treasury which can be used for any purpose determined by the rural board. The central school board and one school board member from each of the rural districts make up the managing board for the expenditure of the fund created by the act. The Lee-Benson aid consists of \$1,000 appropriated by the state toward schools which will maintain either domestic economy or manual training and agriculture. The associated feature does not apply to this act, unfortunately. It is to be hoped that the \$150 and the \$50 appropriation will be extended to cover the Lee-Benson schools during the session of the next legislature.

An explanation of the working out of the associated feature of the Putman act can be best given by a detailed description of the work in one of the schools.

The Cokato school has made the associated feature the basis for its organization. Thirteen rural districts have combined with the central school to maintain the industrial work. A territory of some seventy-five square miles is now taxing itself 2½ mills to maintain a fund which will support the work. With an assessed valuation of \$750,000, this gives the managing board \$2,100 from the thirteen districts. This added to \$4,200 given by the state and the \$650 appropriated toward the different district treasuries gives a working fund that amply supports the work.

The old high school organization maintains three instructors and the associated schools have added three more. These, together with the special teachers employed at mid-year to handle the extra work that is taken up, make a high school force of ten teachers, which handles the work very efficiently.

The central district furnishes the room, the janitor work and the fuel. After receiving

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Sec. & Asst. Treas.

Putman aid, the Cokato district doubled the capacity of the school building to make room for the new courses. Eliminating the state aid, the financial burden upon the associated districts and central district is about equal, and each receives an equal share of benefits of the school.

A unique school has been developed. Much of the old-line material has been eliminated from the courses of study. Latin and Greek have been thrown aside, higher algebra and solid geometry have been relegated to the past. English has been changed from the old-time analytical material to expressional English. From end to end of the English course, the aim is to give the pupils opportunity to think for and to express themselves. Swedish and German have taken the place of Latin. We have a very pronounced Finnish community north of town. We aim to introduce in the near future a course in Finnish. Why not? Every argument that applies to Latin applies to modern languages, and why not teach such modern languages as are best fitted to the community in which the school is placed?

Civics is taught from the standpoint of local government, and thence developed towards national and world-wide organizations showing the relation of the latter to the former. Town, village, school district, county and state offices are maintained within the classes, and all official business is conducted using the ordinary legal and official papers used by officers in actual practice. Mock trials are conducted. Debates and discussions are allowed at all points in this class work. Another subject of great importance to a high school of this type is economics, coupled with commercial law. We are now working upon a text-book which will combine salient features of civics, commercial law and farm business for our classes. We are introducing a year's applied mathematics following the algebra and plane geometry. This work embodies any problem that might arise in the handling of the community work. It may be in machinery, surveying, construction or shipping. Physics and chemistry are given a practical trend, using the bearing of the theoretical phases of these subjects upon many of our agricultural, commercial and industrial problems. Indeed, every one of the older courses maintained have been modified to meet our conditions.

Besides the regular courses, we have correlated with them courses in agriculture, manual training and domestic economy. Our botany is agriculturalized wholly. This is followed by an intense course in general agronomy. The junior year covers animal husbandry, and the senior year is given over to farm business

and community improvement. Every pupil is required to take the agricultural botany. After that the courses are elected.

Every boy is required to take at least one year in carpentry and one year in iron work before he graduates, and every girl one year in cooking and one year in sewing. After that the advanced work is elective. It is not to be understood that these courses are distinct from the old-line material; they are correlated throughout. There is no attempt to build up distinct courses that are ironclad. The only thing that we require throughout the course, and that for only three years, is English. We deal with the individuals, discovering their tendencies, their abilities, and then guiding them, by counselling with them, and their parents, into the courses that fit them for the work they intend to pursue. Moreover, it is not necessary, any longer, to give a pupil a certain set course in order to fit him for a certain set course in a university or college. We are now compelling our universities and colleges to recognize the fact that the only thing they should require is sixteen credits of solid work. Even classical Harvard has adopted that plan during the past year. It is now recognized that there is as much mental development and cultural value in agriculture, manual training and domestic econ-

omy as there is in Latin or the old mathematics.

Besides the regular high school course of nine months, which is being given to some 110 pupils, we maintain a short course from Thanksgiving to March. This was introduced to supply the demand for an education of a great number of young men and young women who had dropped out of our schools throughout the grades. No educational qualification is required for admission. The first year we had seventy-five pupils; the next year about ninety, and this year somewhere about the same number. These young men and young women range in age from 13 to 40 years. Some of them could not even speak the English language; some of them could not spell the simplest word; quite a few of them could not compute the simplest problem, and we devised our courses to reach them exactly as they were. We gave them such subjects as practical arithmetic, composition, spelling, reading, writing, civics, commercial law, farm accounts, agriculture, manual training and domestic economy. Every one of these subjects was modified to fit the class that the instructor was handling. If it was necessary to have a-b-c language, they received it; if it was necessary to give a heavy course in commercial law we gave it. It was not a case of forcing pupils out of the school because they could not fit the courses; but it was a case of reaching out into the community, getting the pupils, and then modifying the courses to fit them.

Many of these pupils came back for the second year's work; some of them drifted over into the regular high school. Last year quite a few of them came back for the third year short course and some of them have signed up for the fourth year of the work. These pupils drove all the way from one to nine miles every day. They arrived at the central building at 10:30 and left at 3:15 in the afternoon. This gave them the opportunity to do the chores at home and yet to receive work that would be of benefit to them during the rest of the day which otherwise would have been spent in idleness. I wish that you could have seen some of the changes that this work made upon the pupils with whom we came in contact.

Perhaps it would be interesting to describe to you some of our special work. Take the sewing, for instance. Here the girls enter the classroom with their own goods for the garments that they need, and, with the aid of the instructor and each other, take their own measurements, draft or modify their patterns, cut out the garments and make them. We make everything from a gingham apron to a silk dress. Very little model work is given.

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Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

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There are girls who have taken our courses who do all the home sewing. In fact, the work that they turn out is so useful that it has been almost impossible to get enough of it together to put up an exhibit at the state or at the local fair. If we exhibit we have to use garments that have been worn.

From seven states represented last year the conference grew in one year to twenty-four states. Last year the banker and educators who came to address the bankers made up the personnel of the conference. This year the field of education from university to common school sent in its undelimited men and women and the character of the gathering reflected the scope of influence of the conference of last year and the awakening effect. Men from the department of agriculture at Washington and from the agricultural and vocational schools of many states were present as listeners.

Miss Caroline L. Sumner and Miss Isabel B. Cressler, co-principals of the Elmhurst School for Girls, located near Connerville, Ind., where horticulture is taught, attended the conference. Mrs. C. C. Craig, Galesburg, Ill.; Mrs. Peter Shiras, Ottawa, Kan.; Mrs. F. L. Caley, Omaha, and Miss Jennie Parsons, St. Paul, sat among the women when the conference opened, and a number of local teachers were present. N. E. Chapman of the St. Anthony Park experiment station; C. G. Selvig of the experiment station at Crookston, Minn.; B. L. Merrill, superintendent of schools at Hutchinson; C. S. Sedfield of the agricultural department, Washington; J. R. Kiethley, Washington; H. M. Wilcox, assistant superintendent of Hennepin county schools; J. E. Painter, superintendent of manual training in the Minneapolis schools; Joseph Jorgens, principal of South high school, and B. M. Giles of the University of Wisconsin, were among the men present, not delegated or on the program, but interested in the conference.

Joe Hirsch of Corpus Christi, Texas, chairman of the Texas bankers agricultural committee; John P. Schmidt, Lewistown, Mont.; S. M. Jensen, Sedalia, Mo.; F. J. Hartman, Tulsa, Okla.; L. K. Stubbs, West Chester, Pa.; George E. Allen, New York; Robert T. Woodside, South Carolina; President H. M. Malott of the Kansas Bankers Association, and E. R. Moses, Great Bend, Kan., came in together. Former President, E. J. Curtin of the Iowa State Bankers Association, came up from Decorah; also Secretary P. W. Hall of Des Moines. President B. F. Harris of the

Illinois Bankers Association is here from Champaign. W. W. Bowman of Topeka, Kan., who spoke at the dinner following the conference last year, and George Guernsey of Independence, Kan., are on the list.

When Chairman Joseph Chapman, Jr., had rapped for order, he said that the conference was the most democratic gathering that could be found, that it has no formal organization, no treasury, no politics, no ax to grind, and only one purpose to follow, which, he said, is to work so that the coming generation may be brought up to be something more than consumers.

"We do not pretend to be educators nor do we in any way want to interfere or attempt to tell the educators their business. But we do know that the system is wrong which gives so much money for the frills and not enough to the practical things, that it is that very largely that is the matter with the country today, and we want to change it.

"To say that the executive committee of the conference is pleased at the growth of the committees is to put it mildly. The growth has been astonishing. It only goes to prove that the basis on which we are working is fundamentally true, that many people realized it all along and now that we are at it, there is an awakening of interest all along the line."

Some of the delegates were delayed by the rain from reaching the hall at the opening hour, yet, when the conference opened, in addition to those

already named, there were in the hall prominent bankers, including the following: Knute Anderson, Eau Claire, Wis.; T. S. Beneker, Fessenden, N. D.; W. S. Hill, Mitchell, S. D.; C. H. McNider, Mason City, Iowa; Edwin G. Cooley, Chicago; S. E. Bradt, De Kalb, Ill., chairman of the good roads committee of the Illinois Bankers association; Peter Shiras, Ottawa, Kan.; N. F. Hawley, Minneapolis; George A. Du Toit, Chaska; E. H. Williams, Allegan, Mich.; C. J. Monroe, South Haven, Mich.; W. S. MacFadden, Fargo; George A. McFarland, Valley City; W. C. McDowell, Marion, N. D.; F. W. Cathers, Bottineau, N. D.; N. C. McDonald, Valley City, N. D.; C. F. Gund, Blue Hill, Neb.; L. P. Sorensen, Eustis, Neb.; Carson Hildreth, Franklin, Neb.; W. B. Hayhn, Omaha, Neb.; Charles Ash, Fostoria, Ohio; A. E. Hitchcock, Mitchell, S. D.; H. F. Patten, Aberdeen, S. D.; Marcus P. Beebe, Ipswich, S. D.; C. P. Smith, Burlington, Vt.; Earl Pease, Grand Rapids, Wis.; J. R. Wheeler, Columbus, Wis.; W. E. A. Dowe, Plymouth, Wis.; L. A. Baker, New Richmond, Wis.; J. T. Zoyce, Eau Claire, Wis.; G. W. Gordon, Haxtun, Col.; C. W. Wheeler, Greeley, Col.; E. L. Lindquist, Waterloo, Neb.; C. C. Craig, Galesburg, Ill.; H. F. Peterson, Aberdeen, S. D.; W. W. Bonner, Greensburg, Ind.; P. W. Hall, Des Moines, Iowa; C. A. Larson, New Hampton, Iowa, and C. H. McNider, Mason City, Iowa. George M. Reynolds, Chicago; Arthur Reynolds, Des Moines, and many other distinguished bankers dropped in at the sessions and indorsed by their presence and by kindly word of approval all that was being done.

The program was long and it was 7:30 P. M. on Thursday before adjournment was in sight. There were nine hours of solid work each day.

A big compliment was paid the founder of the conference, Joseph Chapman, Jr., when the convention, at the motion of Charles H. McNider of Iowa, re-elected him for another year. The same high compliment included Secretary Charles R. Frost.

The clearing houses of Kansas City, Mo., and Kansas City, Kan., wanted the conference for next year and sentiment seemed to be favorable to "passing it around" and not allowing the Twin Cities to have a monopoly of all the good things. The executive committee will be enlarged to include all the states in attendance. Notes, comment and extracts from the talks in next week's CHICAGO BANKER.

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STATEMENT OF CONDITION

AS OF JULY 31, 1912

ASSETS

IMMEDIATELY AVAILABLE

Cash in Vault and Checks for Clearings	\$12,049,509.18	
Due from Correspondents and Demand Loans.....	15,302,351.82	\$27,351,861.00

AVAILABLE WITHIN 30 DAYS

Loans Due in 30 Days....	\$ 4,965,875.95	
United States Bonds.....	1,527,752.20	
Other Bonds and Invest- ments	2,479,043.82	8,972,671.97

OTHER LOANS AND DISCOUNTS

Due Within 4 Months....	\$13,267,076.40	
Due After 4 Months.....	3,357,757.94	16,624,834.34
		\$52,949,367.31

LIABILITIES

CAPITAL	\$ 4,000,000.00	
SURPLUS AND PROFITS.....	3,071,331.94	
Circulation	1,078,800.00	
Deposits { Individual.....	\$23,330,363.06	
{ Banks.....	21,468,872.31	44,799,235.37
		\$52,949,367.31

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AT DETROIT

(Continued from page 1)

be John H. Sturgiss of Boston and F. H. Nichols of Fitchburg, Mass.

The clearing house section will hold its sessions on Wednesday and Thursday mornings also. President Charles A. Ruggles of Boston will preside and James T. Keena of Detroit will deliver the address of welcome. Sol Wexler of New Orleans will make the response. The first thing of importance on the program will be a discussion of the numerical system, led by C. R. McKay of Chicago, chairman of the numerical committee; Joseph T. Talbert of New York and formerly of Chicago, will talk on the functions of a modern clearing house. At the Thursday morning session a discussion of the collection of country checks through the clearing house will be led by Jerome Thralls of Kansas City. Discussion of uniform clearing house reports and bank transactions will be led by Frank Green, editor of "Bradstreets." There will be the usual routine reports of committees and officers of the section.

The state secretaries section will hold its meeting on Wednesday and Thursday mornings, and will present probably the longest list of addresses offered by any other section. Mrs. H. M. Brown, secretary of the Michigan Bankers Association, will welcome the secretaries to Detroit, and S. B. Rankin, dean of the order and secretary of the Ohio Bankers Association, will respond. Next will come the address of President J. W. Hoopes of Austin and the report of the secretary-treasurer, F. M. Mayfield of Nashville. There will be two addresses by distinguished "outsiders." F. W. Ellsworth of the New York Guaranty Trust Company will talk on bank publicity and Judge O. E. Dunlap of Waxahachie, Texas, on "The Boys Behind the Guns."

Two of the most important addresses on the program are those of Charles R. Frost, secretary of the Minnesota association, and Haynes McFadden of the Georgia Bankers Association. Mr. Frost will attempt to answer the question, "Is it advisable for an association to endorse and receive special prices on bank equipment?" This is a very warm issue among the up-to-date secretaries, many of them taking the stand that the purchasing department of all associations should be abolished. Mr. McFadden will attempt to demonstrate a plan to eliminate conflicting convention dates. Having been a newspaper man for a number of years, he will be able to point out to his brother secretaries the evils that follow in the wake of conflicting dates. He will show them how they rob themselves of competent speakers, of outside visitors and of space in the financial publications by holding from three to five conventions the same week. Secretary W. C. Macfadden of North Dakota will speak on "Welfare Production Activities," and William B. Hughes of the Nebraska association will talk on protective service. All of the secretaries present will be given an opportunity to engage in the discussions.

The program this year makes a slight departure from former years by having all of the sections meet on two consecutive mornings and giving all of the members an opportunity to participate in the magnificent list of entertainments furnished by the Detroit bankers, who have provided everything from golf tournaments and baseball, and from luncheons

and receptions for the ladies to steamer rides and smokers for the men. There will be something doing all of the time. Secretary Farnsworth thinks he will be able to issue the list of speakers for the principal sessions of the convention proper in a few days.

A. C. Trumbo

Arthur C. Trumbo, president of the Trans-Mississippi Commercial Congress, will speak at the LaSalle Hotel luncheon of the Chicago Association of Commerce, on Thursday, August 14th. He has invited W. G. Edens to speak at the Salt Lake meeting of the congress August 27th. Mr. Trumbo is a banker at Muskogee, Okla.

INVESTMENT BANKERS MEET IN NEW YORK

The Chicago delegation to the first annual convention of the Investment Bankers Association held in New York, August 8th, left Wednesday at 2:30 P. M. on the Twentieth Century Limited. Among those in the party were the following: George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, Chas. Schweppe, R. E. Wilsey, F. R. Fenton, W. K. Hoagland, John Greenebaum, M. H. Cutter, R. C. Taylor, Augustus Knight, Chas. F. Fishback, Robert B. Upham, Nicholas Roberts, C. W. McNear and Frederick A. Yard, all of Chicago; C. Edgar Elliott, Indianapolis; Geo. M. Bechtel, Davenport; D. Arthur Bowman and T. K. Smith, St. Louis; Joseph M. Boyd, Madison; A. C. Foster, Denver; and Herbert Witherpoon, Spokane. They will be joined at Cleveland by Messrs. F. S. Borton, P. T. White and F. B. Wolcott of Cleveland; Jos. N. Sechrest, Buffalo; and Claude Meeker, Columbus; and at Toledo by Messrs. C. L. Stacy and Carl Spitzer.

BANKING FIRM TO HAVE NEW QUARTERS

Finley, Barrell & Co., bankers, Chicago, expect to move into quarters in the Rookery Building, as soon as alterations are completed.

PROMINENT SOUTHERN ILLINOIS BANKER VISITS CHICAGO

P. M. Johnston, president of the Fayette County Bank, St. Elmo, Ill., called on Chicago banking acquaintances this week. Mr. Johnston has been very prominently engaged in railroad construction work in Missouri, Kansas, Oklahoma, Illinois, Texas and Louisiana. He reports good crops in southern Illinois, and says that hay is fine, corn fair, and oats good. Mr. Johnston is well known in Illinois banking circles.

Chicago, Ill.—The Kedzie Trust and Savings Bank has been organized with \$200,000 capital. M. C. Schiff, Herman B. Schiff and Isaac Schiff are interested.

BIG POTATO CROP IN MISSOURI

The Missouri potato crop for this year is a big one. It is probable that the yield will be more than double that of last year, when the entire state grew but 983,000 bushels, or an average of only 35 bushels per acre. The Orrick district, in Ray county, has grown a crop estimated at 1,200 carloads, more than 50 trainloads. Most of these potatoes have sold at from 46c to 50c per bushel in the cars. The yield will be about 200 bushels per acre. One grower who three years ago bought 95 acres of land at \$130 per acre has since grown \$23,000 worth of potatoes on this tract, the profit equaling the purchase price. Good potato land in the Orrick district is now selling at from \$150 to \$200 per acre and rents at \$10 per acre, cash.

BANK CREDITORS GET DIVIDEND

Portland.—Attorneys for State Bank Examiner Wright have secured in circuit court an order authorizing Mr. Wright to pay a dividend of 45 per cent on the claims presented by creditors of the American Bank and Trust Company, between June 22d and July 30th. Mr. Wright last week paid a dividend of 45 per cent to the main body of creditors and has still enough money on hand to pay the same to the supplemental list of claimants. This second disbursement will be small as compared with the first. Date of payment is set for August 15th.

NEW YORK SAVINGS BANKS

Albany, N. Y.—George C. Van Tuyl, Jr., superintendent of the state banking department, has issued a statement of the condition of the savings banks of the state for the year ending July 1st, which showed that there had been a large increase in the aggregate of their resources. The total resources on July 1st, last, were \$1,827,502,287, as compared with \$1,750,859,001 on July 1, 1911. The amount due to depositors on July 1st was \$1,660,564,190 and other liabilities were \$778,842. Other statistics are: Number of open accounts, 3,029,679; accounts opened, 539,761; accounts closed, 471,141; amount deposited during the year, \$422,920,290; amount withdrawn during the year, \$414,041,134; expense account for six months, \$2,534,957.

HOPES TO REIMBURSE THE BANK

Los Angeles.—In the case of Earl Standard, formerly bookkeeper of the American National Bank of Pomona, who is under indictment charged with embezzling \$150,000 of the bank's funds, the federal court has consented to put the hearing over until September 16th. Between now and that time, Colonel Johnson stated, Standard hopes to make property arrangements whereby the bank would be reimbursed for all of its losses.

Atlantic City, August 7.—J. Haines Lippincott has been elected vice-president of the Atlantic City National Bank. The bank has declared a quarterly dividend of 10 per cent and added \$25,000 to surplus, making total surplus \$450,000.

A charter has been issued to the First National Bank of Plant City, Fla., capital \$500,000.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

That the largest and best oats crop ever raised in Illinois has been cut and partially thrashed is the universal consensus of opinion downstate. Yields of as high as eighty-five bushels per acre have been recorded and the quality and the weight of the crop this year have both been highly satisfactory. The price has not suited, of course, and farmers who have been used to high prices for grain for many years do not take lower prices very kindly. Many farmers say that they expect to store their entire oats crop this year, but with the high price of lumber it is to be doubted if farmers without large crib room will want to build cribs and to store many oats. Wheat has also been a large crop and there have been some very satisfactory yields. Oats straw will be especially abundant and hay will be plentiful and cheap. The year has been especially favorable for garden raising and the cost of living has been cut in the country and smaller towns where the people raise garden produce on their own premises.

The corn crop is causing farmers and bankers many anxious moments and with a period of November weather in August the farmer is naturally somewhat concerned about the safety of the crop. Corn is late and backward and a late fall with delayed frosts will be needed for the proper maturing of the crop. The season in general has been rather unfavorable to the corn crop as there has been comparatively little warm weather. Hot weather is needed for the success of the farmer and while uncomfortable for humanity it is just what is needed on the farm. Several weeks of warm weather with no frosts will be needed to place the corn out of danger. With a large crop of corn safely gathered, the year 1912 will go down in crop history as a year of enormous yields.

Lateer Buys Ludlow Bank

W. J. Lateer, president of the Paxton State Bank and a member of the executive council of the Illinois Bankers Association, has purchased the Ludlow Bank, in northern Champaign county, from Fred Collison, the latter being president of the First National of Rantoul, president of the First National of Thomasboro and vice-president of the Illinois Title and Trust Company of Champaign. The Lud-

low Bank will be under the supervision of Mr. Lateer's son and this bank, with the Paxton State Bank, will be operated in a certain way together as they are in the same territory and only six miles apart.

Utilities Company Increases Stock

Certifying to an increase in capital stock from \$330,000 to \$6,000,000, the Central Illinois Public Service Company has paved the way for further control of the lighting, heating and power plants in this state. The number of directors of the concern, which, it is said, plans the taking over of the majority of the utilities plants in central Illinois, was increased from five to six. The principal plant of the company is located at Mattoon.

It has been rumored that this corporation is planning for the merger of many coal mines throughout central Illinois. The corporation is supposed to be backing Francis J. Peabody of Chicago, who has secure options on practically all the mines around Springfield. There have been persistent rumors all summer in central Illinois that a large mining corporation was being formed. Mr. Peabody states, however, that his investments are of a personal nature.

Sells \$5 Bill for \$1,000

A. D. Millhouse, living in Jackson county near Murphysboro, has the distinction of possessing the first \$5 bill issued by the United States treasury. It is No. 1, series A, issued in March, 1862, and after a close examination by bank officials at Murphysboro has been

declared to be the original. Millhouse secured the bill from his father many years ago, the latter coming into possession of it during the Civil War. The present owner has several times been offered large sums for the bill, and it is now reported that he has received an offer of \$1,000 and will accept this for the old bill.

Harris on Progressive Ticket

B. F. Harris, vice-president of the First National of Champaign and president of the Illinois Bankers Association, has been named a candidate for trustee of the University of Illinois on the National Progressive ticket. Mr. Harris is well qualified to serve and if elected would care for the interests of the state university in a business like manner.

Banker Aids Zoo Officials

J. A. Berminghaus, cashier of the Central National Bank of St. Louis, came to the rescue of the officials of the St. Louis Zoological Garden, Sunday, when employees of an express company refused to accept a check in payment for two Zebras that reached St. Louis Sunday. He arranged matters, but how is not being divulged.

The animals, a bull and a cow, were taken from the express office to Forest Park in the animal ambulance. There was no room for them, so the llama and the kangaroo had to double up while the Zebras got the former's

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THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - **\$2,000,000.00**
Surplus and Profits **1,468,000.00**
Deposits - - - **15,397,000.00**
 ORGANIZED JANUARY 17, 1807
Dividends Paid - **\$13,267,000.00**

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 PRESENT NUMBER OF STOCKHOLDERS, 930

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quarters. The animals were not expected until Monday. They were purchased from a concern at Yardley, Pa.

The Bull Moose which the Zoo intends to have, will arrive Tuesday. Miller Hageman, business manager of the Zoo, says.

To Improve Rural Life

The second annual meeting of the Illinois Federation for Country Life Progress held at DeKalb, was a decided success and many points which are being urged by banker-farmers were discussed. The results of the conference were highly satisfactory to all the delegates.

The resolutions adopted asked the University of Illinois to hold a conference of rural social workers similar to those held in some other states.

Strongly approving the movement of the Illinois bankers in creating sentiment and securing legislation for better schools, better roads and better conditions in the homes and in general country life improvement.

Recommending that as much attention be given to the study of household science as to the other features of farm improvement.

That all persons in sympathy with this, the work of the federation, do all in their power to make the country school more of a community center.

Recommending the establishment in every normal school, of a department for the training of country teachers for social leadership.

Surely the above resolutions are timely and will meet the enthusiastic approval of banker-farmers in Illinois who have caught a vision of improved rural conditions throughout the state.

New Bank at Medora

The entire stock of the Farmers State Bank of Medora, amounting to \$25,000, was subscribed at a mass meeting of citizens. The bank will open September 1st. The village of Medora, in Macoupin county, boasts a population of only about 450, but enjoys the distinction of having two banks. The Bank of Me-

dora, an older institution, has been in existence thirty-five years. Leslie Craig of Monroe, Louisiana, will be cashier of the new bank.

Springfield Correspondence

The Bank of Taylor Springs has opened for business. L. V. Hill of Hillsboro is president of the new institution. The new bank is a "private," but anticipates organizing under the national banking law in the near future. A new building will be erected after business is fully established.

Bank Gives Books to Friends

Bank of Sadorus is handing out to its patrons two books entitled "The Reports of the Farmers Institutes for 1911" and the "Year Book of the Household Science." Both books are handsomely bound.

Bank Celebrates Forty-first Anniversary

Will County National Bank was forty-one years old on August 4th. Henry Fish was its organizer and first president, and for many years after its organization owned a majority of the stock. He signed the first issue of

United States national bank notes. After the resignation of Mr. Fish, Calvin Knowlton became president, and Mr. Fish's interest was sold to J. A. Henry, who subsequently became president of the bank.

Illinois Banking Notes

J. A. Corbett, president of the Citizens National of Decatur, has been named president of the Decatur Chamber of Commerce.

E. N. Raynor, of the firm of Raynor & Babb, successful private bankers of Homer, Champaign county, died recently at his home in Champaign. He had been retired from active business for several years.

C. R. Miller, cashier of the First National of Kankakee, with his wife and son, spent their vacation taking an automobile trip to Starved Rock and vicinity.

There has been filed in the office of Circuit Clerk J. G. Whitson of Pontiac, two releases to mortgages of large proportions. The mortgages were given by the Central Union Telephone Company to cover the issuing of bonds by the company. One was for \$3,000,000, dated July 1, 1896, running to the Illinois Trust and Savings Bank, of Chicago, and the other was for \$6,000,000, dated December 17, 1910, running to the Old Colony Trust Company of Chicago.

R. A. Peters, formerly cashier of the Stewardson Bank, Shelby county, has accepted the position of assistant cashier of the Merchants and Farmers Bank of Sullivan.

J. F. Keshner, cashier of the First National of Edwardsville, has returned from a vacation spent in the North. He is well tanned up and looking very much improved after his two-weeks' outing. His wife and family will remain a short time longer.

Glen Freese, son of Mr. and Mrs. Jacob Freese of Ogden, died suddenly in Chicago on Monday of this week. Mr. Freese was about twenty-five years of age, and prior to going to (Continued on page 13)

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 Money to Loan on Real Estate

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The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Milwaukee banks were well represented on the excursion of eighty members of the Merchants and Manufacturers Association to Michigan last week as guests of F. C. Reynolds, vice-president and general traffic manager of the Pere Marquette line. The special boat bearing the Milwaukee business men left the dock at eight o'clock Wednesday night, reaching Ludington at six Thursday morning. Breakfast at Ludington was followed by a trip up the shore to Manistee where lunch was served and several of the larger lumber and salt plants visited. The guests returned to Ludington in the afternoon and departed for Milwaukee at night, arriving here at seven Friday morning. The banker contingent included E. A. Reddeman, Germania National; J. E. Jones, Marshall & Ilsley; E. H. Williams, Marine National; Walter Kasten, Wisconsin National and W. L. Cheney, Second Ward Savings.

Protest Against Assessment

Both the Marshall & Ilsley Bank and the Second Ward Savings Bank have entered protests before the board of review against assessments on the new buildings being erected by them. A valuation of \$60,000 was placed on the building of the former now in course of construction on East Water Street. The bank, through its attorney, Robert McMynn, holds that it owns the building, that it is exempt from taxation under the statute which allows a bank occupying its own building to deduct the assessment on the building from the as-

essment on its capital stock. No exemption is claimed on the \$94,000 property valuation. The Second Ward Savings Bank bases its protest on the same grounds. According to Tax Commissioner Louis A. Arnold's interpretation of the statute, the deduction does not apply until the buildings are occupied. Both cases will probably be taken into the courts, the board of review having no power to change the assessments under the circumstances. The Merchants and Manufacturers Bank, which is also constructing a new building on West Water Street, has entered no protest on its assessment.

Declares Semi-Annual Dividend

The Chicago, Milwaukee & St. Paul Railroad has declared the semi-annual dividends of 2½ per cent on its common stock and 3½ per cent on its preferred stock, payable September 3d. This week the road paid \$100,000, the amount of its semi-annual taxes, into the state treasury.

Frederick Kasten

Frederick Kasten, vice-president of the Wisconsin National, is now recuperating at his home, 780 Marshall St., following an operation which necessitated a six weeks' confinement at Milwaukee hospital.

G. D. Bartlett on Eastern Trip

Secretary George D. Bartlett of the Wisconsin Bankers Association has left on a two weeks' pilgrimage to the East. He says that

a rest after the convention is his main object, but those who know George look for a big crop of brand new ideas in the Merrill Building on his return.

Ripon Bank President Dead

Directors of the First National Bank of Ripon have issued a formal announcement of the death of its president, George L. Field, at the age of seventy-five years. Mr. Field was formerly president of the Wisconsin Bankers Association, and vice-president of the National Bankers Association. He has been connected with the First National of Ripon as cashier and president, for forty-nine years.

With Bank Fifty Years

The Commercial National Bank of Oshkosh celebrated the golden anniversary of its president, Thomas Daly, last week, by maintaining open house all day. The institution was organized in 1856 and Mr. Daly entered its service as messenger boy in 1862. He advanced through the grades of bookkeeper, teller, cashier, and vice-president, becoming president in 1900.

To the A. B. A. Convention

A delegation of more than one hundred Milwaukee and state bankers will travel to the A. B. A. convention in Detroit, September 9-15 in a special train over the Michigan Central road, arrangements for which have been completed. The train will leave Milwaukee on the morning of September 9th, and arrive at



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
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IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

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Detroit the same night, with stops at Kalamazoo, Ann Arbor, and Battle Creek. The schedule allows of side trips to Niagara Falls, the St. Lawrence River, Thousand Islands, and other points for those who desire them. All but six of the twenty-two rooms reserved for the Wisconsin bankers at the Hotel Charlevoix during the convention have been taken.

German Bank of Sheboygan Completely Reorganized

The German Bank of Sheboygan is again on a smooth running basis, following a complete reorganization, after closing of its doors upon the death of President Karste in June. The new directors are: Peter Reiss, Walter J. Kohler, Herman Schreier, Henry C. Prange, Otto Foeste, William J. Rietow. The officers are: First vice-president, Herman Schreier; second vice-president, George Heller, Sr.; cashier, Otto Foeste; assistant cashier, Otto Kaufmann. A 200 per cent assessment was paid by stockholders.

Wisconsin Banking Brevities

Carl F. Boedecker, cashier of the Citizens State Bank of Algoma, was married in July to Miss Frances Fellows of Algoma.

E. M. Wing of La Crosse and F. J. Carr of Hudson have been elected members of the executive council of the American Bankers Association from Wisconsin.

Alexander Wiley has been elected a director of the First National Bank of Chippewa Falls to succeed R. A. Jenkins, deceased.

Stockholders of the Luxemburg Bank of Luxemburg are considering an increase in the institution's capital stock.

Directors of the Commercial National Bank of Madison will meet this week to elect a successor to August O. Paunack, cashier, who resigned in July to become assistant cashier of the Second Ward Savings Bank, Milwaukee.

A 3 per cent dividend was declared at the first annual meeting of the stockholders of the Farmers and Merchants Bank of Marion,

which was organized in July, 1911. A gain of 200 depositors during the year was shown in the reports.

Building operations have been deferred by directors of the First National Bank of Racine until next spring, although plans and specifications have been completed and approved.

W. M. Jacobs has been elected cashier of the German National Bank of Beaver Dam to fill the vacancy caused by the recent death of Peter Beule. Alfred Miller, assistant cashier, has been appointed to the vacant place in the board of directors.

Montana Program

Secretary M. Skinner of the Montana Bankers Association announces that the following will speak at their ninth annual convention at Kalispell, August 23d and 24th: J. W. Spangler of the Seattle National, "Commercial Arbitration;" C. P. Donnelly of Helena, "Corporate Surety Bonds;" E. T. Coman, Exchange National, Spokane, "Liabilities and Responsibilities of a Bank Director;" H. von der Meyer, National German-American Bank, St. Paul, "Financial Problems;" and Jos. Chapman, Jr., of Minneapolis, "Agricultural Development and Education."

BANKERS TO AID AGRICULTURE

Louisville, Ky., August 8.—Announcement is made here that James K. Waller, of Morganfield, president of the Kentucky Bankers Association, has decided to bring before the convention of that organization in Louisville this fall the question of forming an organiza-

tion having for its purpose the agricultural development of the state. It was suggested that the plan now being carried out by the Texas Industrial Congress, an organization of bankers, be followed in Kentucky. Prof. F. Mutchler of Western Kentucky State Normal School of Bowling Green will address the bankers' meeting here on the subject. He will outline what has been accomplished through the efforts of bankers in other states, especially in Texas and Alabama.

ILLINOIS BANKING NEWS

(Continued from page 11)

Chicago was employed in one of the leading banks in Danville, in which place he will be remembered by many friends and acquaintances.

R. J. Birge, formerly of Greenville, is one of the incorporators of the new Centralia Trust and Savings Bank, which will be capitalized at \$50,000.

Alice Fleming, formerly assistant cashier of the Carterville State and Savings Bank, recently was married to Worth Woodward of Guyman, Oklahoma. The couple left for Colorado for their honeymoon.

Eugene M. Raynor, formerly in the banking business at Homer, passed away at his home in Champaign last week.

The state has authorized the organization of the Farmers Commercial State Bank of Towdyce, Jackson county, with a capital stock of \$25,000. A meeting recently was held for the purpose of organizing the Witt National Bank, which will be capitalized at \$50,000. At present they have not decided on their building location.

The Phelps County Bank of Holdridge, Nebraska, has obtained a charter from the state banking board. The bank has a paid-up capital stock of \$35,000. H. T. Erickson is president, C. L. Dunham, vice-president, and C. A. Galloway, cashier.

INTEREST IN BANK WANTED

Wanted—To buy an interest in a good Wisconsin bank, by a practical banker with twenty years experience. Might join local parties in organizing a bank in a good location.

Add: B-8 care of Chicago Banker



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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J. S. CALFEE, Cashier

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Aug. 8.—There has been a definite hardening in money rates the past week, in response to an increasing demand for accommodations from mercantile sources. Bankers notice this with extreme satisfaction, and say that it indicates that this territory is doing a larger volume of business than a year ago, when the spirit of optimism now prevailing in business circles was conspicuously absent. In this section this hopeful feeling is largely the result of the crop outlook, which has seldom been more favorable than at present, despite a late start, following the wet, cool spring. The past month has been almost ideal for the development of corn and for the harvest of winter wheat, and threshing returns on the latter show some really remarkable yields. In certain sections of the state, where early reports indicated a large percentage of winter-killing, the recovery in the wheat crop has been almost a miracle. This is attested to by the increased and enlarged buying orders that have been coming in to mercantile houses in the past two weeks, from the afflicted territory. The farming public are inclined to look on the hopeful side of things, and prepare for improved conditions after the election. This is having a far-reaching influence on the city's trade and business sentiment. Big business is inclined to ignore the tariff bugaboo, although some manufacturers are holding back in a small way until the policy of the contending political parties becomes more thoroughly understood. Were it not for this, bankers assert that the country would be almost on a business boom, as the fundamentals underlying our financial and commercial structure seldom have been so sound immediately in advance of an election, and especially one which promises to be the culmination of the most active campaign since 1896.

Optimism Prevails

In the big wholesale district the most cheerful feeling prevails. The activity in the shoe trade is suggestive of this. The volume of business handled by these great manufacturing concerns is increasing constantly, and the leading firms report a future business sufficient to carry their plants at capacity throughout the fall. Collections are fairly satisfactory, and with the demand for funds sufficient to hold rates around 5 to 5½ per cent, the banks are pretty well loaned up. There has been a strong disposition shown by leading institutions to convert securities—especially short term issues—into cash. This has given the loaning institutions considerable more funds, besides making a more active demand

for commercial paper of various maturities. Call money continues fairly plentiful, and at reasonable rates, considering the better demands in the time loan market, but the demand for this class of funds is not pressing at the moment. More money is lending at the higher rates than has been the case for several months.

New Bond Officer Mississippi Valley Trust

Felix T. Hughes has been chosen bond officer of the Mississippi Valley Trust Company and assumed his duties on the first of August. Up to that time he had been connected with the bond house of McCoy & Co., Chicago, for the last five years. A native of Mount Pleasant, Ia., Mr. Hughes went to Chicago in 1901 and was graduated from the University of Chicago in 1906. His first business connection was with the Webb Speed Indicator Company as Chicago manager, and prior to his association with McCoy & Co. he served for a year as sales manager of the Hamilton Automobile Company. Mr. Hughes has a wife and two children who will join him in St. Louis October 1st. As bond officer of the Mississippi Valley Trust Company he succeeds James H. Grover, who resigned last March.

Mechanics-American National Reports Conditions

The Mechanics-American National Bank of St. Louis, reports the following: General business conditions in and about St. Louis are continuing the improvement noted last month. The situation in the shoe trade is suggestive of this betterment. This industry has within late years grown to enormous proportions. The volume of business handled by the great manufacturing concerns whose headquarters are in this city is constantly increasing, and the business on the whole is to-day very strong indeed. Some of the largest manufacturers report a very satisfactory fall business with sufficient orders to keep busy their plants run-

ning "at capacity." Some have suffered slightly from labor difficulties, but the interference from that cause has not been important or much of a detriment. Owing to its location in a section which is dependent largely upon agricultural pursuits, St. Louis is very greatly affected by crop conditions. The prospects now favor a materially increased yield of all crops, although it is too early to speak with full assurance on this point. It is recognized, however, that the situation is highly satisfactory and that unless some unlooked for disaster should be encountered the production of grain in this vicinity will be sufficiently above last year to add materially to the wealth of the people in this territory.

SMALLEST WHEAT CROP IN 36 YEARS

Lansing, Mich., August 7.—The monthly crop report as issued from the secretary of state's office to-day says that with one exception the yield of wheat in Michigan will be the smallest in the past 36 years. The report says the average yield in the state will not be over 11 bushels per acre.

The estimated yield of rye in the state will not be over 13 bushels per acre; oats are expected to yield 31 bushels per acre and potatoes are reported far better than last year, indications that there will be 85 per cent of a full crop. Beans are about the same in condition as last year at this time, while sugar beets are a trifle lower.

Fruit correspondents very generally report prospects good for winter varieties of apples in orchards that have been sprayed and otherwise properly cared for; the outlook for the early varieties is not so promising. The United States census of 1910 gives 228,313 acres of bearing apple orchards in Michigan, figuring 33 trees to an acre. This is about 41,000 acres less than was given in the state census of 1904. The prospect for an average crop in the state and upper peninsula is 64, in the southern and central counties 62, and in the northern counties 5. One year ago the prospect was 41 in the state, 42 in the southern counties, 28 in the central counties, 40 in the northern counties and 71 in the upper peninsula. The prospect for an average crop of peaches in the Michigan fruit belt is 18 per cent and in the state, 11. One year ago the prospect was 84 and 75 respectively.

The Texas banking department has authorized the Central Texas Exchange National Bank of Waco as reserve agent for the Bartlett State Bank of Bartlett.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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Capital and Surplus
\$3,000,000

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Resources, Twenty-five Million Dollars

Capital
\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

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CHICAGO

ARBA PERRY OFF TO WESTERN CONVENTION

Arba Perry, representing the Colonial Trust and Savings Bank of Chicago, left the city on Monday of this week for St. Louis. Mr. Perry expects to attend the convention of the Nebraska Bankers Association to be held in Omaha August 26th and 27th. He also contemplates going up to Kalispel, Montana, to attend that of the bankers of that state to be held August 23d and 24th, and that of the Colorado bankers to be held in Pueblo August 19th and 20th.

INDIANA NATIONAL ADOPTS NUMERICAL SYSTEM

The Indiana National of Indianapolis has bought eleven Burroughs Transit Machines and will handle all its transit business by the system worked out by the American Bankers Association. Investigation convinced the Indiana National that the numerical system has come to stay and that it will save money in handling transit business. The bank always has been progressive, and its officials have watched the numerical system with considerable interest ever since it was adopted by the A. B. A.

HONESDALE NATIONAL BANK

The Honesdale National Bank, Honesdale, Pa., has issued a booklet giving a full and connected history of the bank from its organization 75 years ago to the present time. In the past 35 years the deposits of the bank have increased from \$276,173 to \$1,421,318. Total dividends that have been paid by this bank since its organization in 1836 have amounted to \$1,982,000. The bank was nationalized in 1864.

Wyoming Convention

Cheyenne, Wyo., August 8.—The convention of the Wyoming Bankers Association has just concluded a two-days' session at this place. A very attractive program was provided for the occasion by Secretary Van Deusen. Charles A. Lory, president of the Colorado Agricultural College, Fort Collins, delivered an address on "One-sided Education." "Early Banking Methods" was the subject chosen by Clement Chase, editor of the "Western Banker." Mr. Chase illustrated his talk with a display of early currency. M. R. Collins, president of the Douglas National Bank, talked on the general subject of collections, while T. S. Taliaferro, Jr., president of the Green River State Bank, and F. F. Johnson, cashier of the Boise (Ida.) City National Bank, respectively talked on our natural resources and costs and credit accounting. O. T. Eastman, assistant cashier of the First National of Omaha, made an informal talk on getting business, which largely was an illustrated one. He had on hand a large assortment of newspaper ads, as well as all kinds of souvenirs, bulletins, circular and multigraph letters, street car cards, etc. His collection was acquired from time to time during the

past three years. E. R. Gurney, vice-president of the First National of Fremont, Neb., and chairman of the federal legislative committee of the American Bankers Association, made an informal talk on the subject of "Losses."

BANK TO INCREASE CAPITAL

Buffalo, August 6.—Stockholders of the Columbia National Bank of Buffalo will meet September 3d to vote an increase in the capital stock from \$2,000,000 to \$2,500,000 through the sale of 5,000 shares of new stock at \$300 per share, thereby also increasing the surplus account by \$1,000,000, or from \$1,200,000 to \$2,200,000.

In the past ten years the bank's total resources have increased from \$1,500,000 to over \$17,000,000. With the proposed increase in capital and surplus and the estimated earnings for the next four months, the bank will have a total capital and surplus account of about \$5,000,000, the largest of any bank in the state outside of New York City. The directors have also voted to increase the dividend from 12 per cent to 15 per cent, effective when the increased capital has been paid in. Since 1909 the market price of the stock has advanced from 350 to 600, or 250 points.

BANK OPENS FOREIGN DEPARTMENT

The Corn Exchange Bank, the largest of the New York state institutions, and which operates twenty-eight branches, located in various parts of the city, has opened a foreign exchange department. The bank proposes to buy and sell foreign exchange and foreign currency and to issue travelers' letters of credit available in all parts of the world.

BUILDING A BANK

and equipping it is a very important proposition. The Bankers' Engineering Company, 504 Monadnock Block, Chicago, will mail free to interested bankers a pamphlet containing valuable suggestions relating to Bank Buildings and Interior Equipment Work.

Editorial Comment

CRITICISM ON BANK CREDIT SYSTEMS

From one of Chicago's largest banks comes a criticism of credit department work which every man in such departments should read. The writer is widely known for his work and for his efforts to reform the present systems. On this subject he says:

This is an era of reform movements. Everybody is reforming except the credit association. This organization is not lacking in initiative; its members are progressive and it seems peculiar that they have not been up and doing ere this. Its field is fruitful and ought to be cultivated by intensive and extensive methods. Its manner of procedure is crude. For instance, in the matter of obtaining information on names offered by commercial paper brokers. The broker offers the paper to five or six banks in Chicago, who immediately institute investigation by writing to the various banks furnished as references. These banks receive the five or six inquiry letters on the name in question and send a duplicate letter to each of the inquiring banks in Chicago. Why not a clearing house for this information? It would simplify matters considerably if the brokers would take the names they have to offer in this market to the clearing house, have the paper investigated and submit the results to the buying banks. A crusade against the promiscuous investigation of names by minor country banks, who merely make a hobby of it, should also be inaugurated. The worst offenders along this line are those who buy the least paper in the open market. They make veritable pests of themselves, forgetting no doubt that while they have ample time to indulge in this craze, the larger banks are not so fortunately situated. When these leads peter out they might take up the subject of statements. At the present time there is no systematic method of procuring detailed figures of borrowing customers. Each bank has a form of its own. With the extension of our credit department feature in the banks, the information received for filing is dissected more carefully, especially in the matter of statements. It is easy enough to analyze a statement, but many difficulties arise when attempts to compare them from year to year are made owing to the inconsistencies of the makers of the statements. They should be educated as to the requirements of the banks in this respect. They should be encouraged, or, rather, it should be insisted upon, that they list their assets at what in their opinion is an exact, safe and conservative value. At the present time, the general custom is to place a full value on the assets and, on the liability side, insert a "conservance fund" in the form of "Reserve for Bad Debts," "Reserve for Depreciation," etc. In analyzing statements, one cannot, of course, consider these reserve accounts as a debt, and as they are inclined to fluctuate greatly, where systematic analyzing is attempted, they create considerable confusion. Treasury stock should not appear on a statement submitted to a bank, as it represents no actual property.

Thus it will be seen that there is important work to be done by one of the divisions of the A. B. A. Its committee on "forms" might help some. The new Investment Banker Association might find this a good field in which

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

to make an early showing. The writer quoted above can be depended upon to "help out" if one of these divisions will take up the work.

PROTECTING THE DEPOSITOR

Questions of deposit guaranty or deposit insurance continue to agitate the banking world. Whichever form of guaranty shall prevail will come in answer to a public demand, if the system prove to be economical and a benefit to the people. There are features of the guaranty plan as in operation in the Southwest which are objectionable to most of those who have given the matter close attention. The Wisconsin plan would seem to be an advance upon that adopted in Oklahoma and Texas, yet at the Milwaukee convention sentiment was in such an unclarified condition that no decision representing the concrete will of those present could be arrived at. For this reason, chiefly, the matter went over for further consideration. Public sentiment in Wisconsin is at such a state of development, however, that it is not unlikely that the state legislature will attempt to give relief in the matter, inviting, of course, the co-operation of the bankers of the state. While these forward movements are engaging the attention of the bankers in adjoining and other states, Illinois has a problem to solve at the Peoria convention as to whether or not the depositor is entitled to state supervision and inspection as a matter of right. If in those states where private bank-

ing has been abolished they still feel the need of deposit guaranty, mutual or otherwise, it is pretty good evidence that the depositor in Illinois is not getting nearly all that is considered equitable in other states. A careful canvass of individual banks in Illinois shows that a large majority of the organized bankers believe in absolute state supervision, and that almost half of the private bankers who have taken an interest in the matter believe the same way. Ultimately the matter may go by default at Peoria, just as did the old constitution at Springfield, when the issue becomes public and the real reasons for contending against supervision must be stated openly and in public. About supervision in Illinois Chairman Daves of the committee says: "The aim of the committee is not to hamper private bankers, for there are many reputable men so engaged, but to bring every private banker under the state law, so that he will be financially responsible to his depositors and amenable to the state laws if he violates his charter. In brief, we want to check forever the practice of irresponsible persons, with no assets, putting the sign 'bank' over their doors and receiving deposits for which they cannot be called to account." Thus it will be seen Wisconsin, while ahead of Illinois in having abolished private banks first, has no advantage in high-minded determination to protect the depositor.

REFORM OF LEGAL PROCEDURE

A great deal of agitation recently has been started in this country in regard to the methods employed by the courts in their administration of justice. Much has been said in regard to the delay and "red tape" necessary to be gone through in order to obtain decisions. It even has been intimated in some cases that some of the judges charged with the administration of the law are incompetent, and occasionally, inimical to the people who placed them in their offices; that the decisions rendered frequently subvert justice rather than subserve it. While criticisms of this nature always must be taken with a grain of qualification, nevertheless it is true that there is something radically wrong with our legal system. Courts of to-day are too prone to adhere to anciently established rules and theories. The common law of England, up to the time of the settlement of Jamestown, prevails in the United States to-day, except in so far as it has been abrogated and modified by legislative enactment. It is quite obvious that what might have been suitable for the needs of the people living in the seventeenth century and prior to that time will prove totally inadequate for the present day. Courts are very loath to depart from these ancient customs. Indeed, it is a common expression among lawyers that anything in derogation of the common law will be very strictly construed. The

Convention Dates

VERMONT—White River Junction, August 16; Secretary, C. S. Webster, Barton.

COLORADO—Pueblo, August 19 and 20; Secretary, Preston T. Slayback, Denver.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.

NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

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simplest and at the same time the most expeditious way of combating this difficulty is the adoption of a code relating to pleading, such as exists in New York. Perhaps it is no exaggeration to say that a very large proportion of the difficulty ordinarily experienced in the conduct of litigation may be attributed to technical defects in pleading. If the rules relating to this branch of the law were made simple and were codified, there would be very little chance to go wrong on them. It is very rarely that one hears of a judge who is false to his office, and in the majority of cases they are well qualified to act in such a capacity, having served apprenticeships at the bar before donning their judicial robes. But, however competent or honest a judge may be, he is in duty bound to administer the law as it exists, and not in the way he or someone else thinks it ought to be. The same is true in the case of jurors, who, not being versed in legal matters, have the layman's idea as to the case on which they are sitting as jurors—and very often this opinion is the more consistent with justice. However, by their oaths they are bound to decide that case in accordance with the law as laid down to them by the court, and the evidence adduced. If the law is antiquated, or faulty or defective, it necessarily follows that their verdict will not be a just one. Recently much time and space have been devoted to the so-called "fellow-servant" doctrine. Under this theory of the law, a jury might conscientiously and honestly believe that a servant was entitled to damages as a compensation for injuries sustained while in the employ of the master, even though such injuries were caused through the negligence of a fellow-servant. But, if they were true to their oaths, they would be in duty bound to follow the instruction of the court that "if they believed from the evidence that the injuries in question were caused by the negligence of a fellow-servant, and that such negligence was the proximate cause of said injuries, then they should find the defendant not guilty." This harsh doctrine has led to the enactment of workmen's compensation acts in a number of states. The only way to remedy the situation is to get at the fundamental cause of the trouble—the law itself—and to amend it in such a way as best to serve the needs of the people of this modern twentieth century.

From Nebraska

C. Hildreth of Franklin, Nebraska, was in Minneapolis this week to attend the Second Annual Conference of the Committees on Agricultural Development and Education of the State Bankers Associations. About thirty states are expected to be represented. Mr. Hildreth is chairman of the work in Nebraska.

NATIONAL CITY (CHICAGO) BANK LETTER

General business has not been much disturbed by the developments of the presidential campaign. Some manufacturers are holding back in order to learn what change, if any, will be made in the tariff and if the anti-trust law is to be amended. This influence, however, is extremely limited, and it may be said that, taking conditions as a whole, there is little reason to fear real unsettlement to general trade. The one great essential for continued revival is the production of good crops, and it looks as if the country would fare well in this respect. Advices reaching this bank from the crop sections show that in most parts of the spring wheat territory conditions are very promising. The total yield of wheat will be, therefore, if no disasters are encountered, satisfactory. The same may be said of corn, although the critical period for that crop is not yet passed. The smaller grains are also showing up well and the rather steady decline in grain prices shows that those who have carefully studied conditions are looking forward to an abundant harvest. It is also clear that the foreign markets will bid a fair price for whatever surplus we have to offer. Present conditions point, therefore, to continued prosperity for the farming classes.



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SURPLUS
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WE CAN SERVE YOU WELL

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MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

KANSAS CROP CONDITIONS

It is expected that this year Kansas will produce the largest corn crop on record, due to abundant rain recently experienced. The wheat crop also will be very large. Large yields have been reported. One farmer living near Horton produced a total of over 2,700 bushels on seventy-eight acres, or an average of thirty-five bushels to the acre; yields of forty, forty-two, forty-three and forty-six bushels per acre also have been made. The best crop so far is that of O. G. Wilson, living just south of Horton, who has produced fifty bushels to the acre, while the smallest production is twenty-six bushels per acre. One of the difficulties with which the farmers are forced to contend is the securing of help. It is said that never before in the history of the state has there been so much work for the threshermen. There are sixteen counties in the seventh congressional district which are in the million-bushel class this year, their total yield being 34,102,015. At one dollar per bushel, which it is believed will be the average price, the value of the wheat crop will exceed the total mineral production of the state of Colorado. The sixteen counties comprise but half of the seventh congressional district. It is said that several of the other counties have produced close to a million bushels. The production of the seventh district this year is nearly forty million bushels, or about one-half of the entire output of Kansas. When one considers that the wheat crop represents but a small portion of the agricultural resources of Kansas, the wealth of this great state can be better imagined. Corn, oats, alfalfa, fruit, feed crops and broom corn contribute in a large measure to the state's wealth. It is said that the wheat yield of this group of Kansas counties represents an output of two hundred bushels for every man, woman and child within the boundaries of the group. This great prosperity of the state naturally is reflected in increased bank deposits. The splendid showing of Kansas ought to silence to a very large extent, at least, the assertions that the United States is lagging behind the other nations of the world in agricultural matters.

H. E. WEESE OFF TO MACKINAC

H. E. Weese, assistant cashier of the Harris Trust and Savings Bank, Chicago, left the city last week for a vacation trip to Mackinac, Mich. He expects to be away two or three weeks.

Maysville, Ky.—The Bank of Sardis has closed its doors and gone into voluntary liquidation. It was a state bank, with \$15,000 capital. No one loses a dollar by its closure, which was caused by lack of business.



The Convention City

The
**American Bankers'
Association**

holds its 38th annual convention at

Detroit

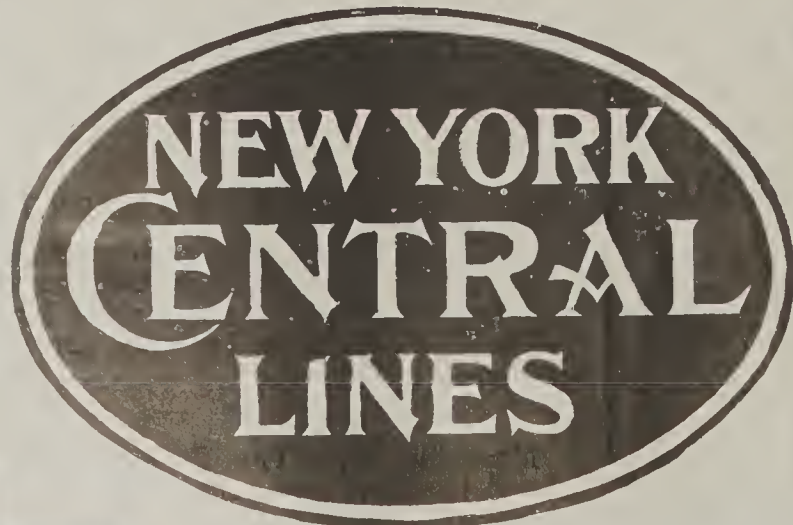
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Surplus and Profits (earned) 2,270,000

Deposits, over - - - 25,500,000

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George B. Caldwell "Keynotes" Investment Bankers Association

As chairman of the organization committee, it seems proper that I should present to you what may be regarded as the "prospectus," out of which something of a concrete character may be here adopted. I have recognized a lack of co-operation among investment banking houses, the value of a better acquaintance, and some benefits that organization might bring to us in the way of the discussion of subjects in which we are most deeply interested, the need for a greater publicity, which the magnitude, likewise the dignity of our business merits, and which unorganized we cannot hope to secure. Most people, and many bankers outside of the large cities, are unaware of the large amount of capital now employed in this branch of banking and few realize that annually new forms of secured credits aggregating \$1,500,000,000, or \$125,000,000 per month, are analyzed, approved, created and distributed by the banking houses of this country that may be classified as investment bankers. This, in itself, is no small responsibility, especially as the form of credit in which we deal usually extends over a period of from five to fifty years, and must, therefore, not only be safeguarded for the present, but until the date of maturity. As now carried on, the bulk of this business is done by less than two thousand banking houses, though the number is annually increasing.

Corporate financing of the past decade reflects a rapid rate of commercial progress in the United States. The Boston News Bureau estimates the requirements for the first half of 1912 for railroads and industrial companies \$1,557,146,000, a gain of 26.6 per cent over the corresponding period of 1911, and this does not include about \$400,000,000 raised by states, cities, towns and other public and quasi public corporations. These figures lend a suggestive conception of the stupendous volume of funds required to finance the nation's day-to-day activities in the form of credit largely handled by the investment banker.

The recent report of the comptroller of the currency shows that our national banks alone hold over \$1,000,000,000 in bonds purchased for investments other than government bonds, while our state banks and trust companies hold over \$2,500,000,000 and our insurance companies nearly \$5,000,000,000, taking no account of those held by private banks, trust estates or individuals, which are undoubtedly a great deal more.

Twenty years ago this business was carried on almost entirely by a dozen banking houses in New York, Boston and Philadelphia, while to-day it is conducted by bankers from the Atlantic to the Pacific and from the Lakes to the Gulf. To-day, no one section of our country is wholly independent, for there are few large bond issues absorbed locally. The East is selling to the West and the West to the East, and in addition our international banking houses are developing a large foreign market for our securities, much as we do for other surplus products of our factories and of our farms. I recall these facts at this time to illustrate not only our responsibility, but the value and important position investment banking has assumed in the last few years in our world of business and finance, and also to impress upon you the further fact that the call for the organization of this branch of banking came not as an inspiration, but as an evolution. I am also of the opinion that only in proportion as this meeting shall develop into a real national force and be supported by men of the highest type of integrity, energy and experience, will

Big New York meeting hears of origin, plans and difficulties of the new organization. The field is large and the need urgent for some directing and controlling power in the security field if Blue Sky laws are not to become epidemic

our foundations be well laid, the dignity and character of our profession be improved and our success assured.

Recognizing that this city was the cradle of investment banking, that most of our cities have grown great by finding a market for their credit at your hands, that our public necessities have, by your aid, your money and your intelligence, been more easily financed, whereby the benefits are now enjoyed by even the smallest hamlet, it seemed both fitting and proper that we hold this, our first meeting, in New York, where your advice and your assistance would be most available. If you agree with me that no great national force is born in response to the will of an individual, nor to the brilliancy of an idea, nor to the genius of a plan, but because of a vital necessity found to exist sufficiently strong to impel business men to forget competition, to obliterate sectional lines and to even forego selfish gain in their desire for its creation, then we have a basis for working together, and one on which I hope to see this association founded, and which I know will work for the best interests of all concerned. Having enlisted in this cause without personal ambition or ulterior motive, believing in the benefits of organization in any work involving so large an amount of capital and so many people, I am pleased to see so large a representation here to-day and to have the opportunity to state to you the history of this movement. * * *

Now, as to our purpose I have no desire to specialize at this time, preferring to leave that to the future deliberations of this body. Sufficient it is for me to say that one particular activity from which we could reasonably hope for good results would be the securing of greater uniformity in state laws governing the issuance of municipal securities; likewise the standardization of the laws of the various states creating public service commissions and the issuing of public service securities. We must deal to-day with many conditions where states make municipal bonds tax-exempt, no two of which are alike; also many laws governing the issuing of special assessment bonds, drainage bonds, levee and reclamation bonds, road bonds issued by districts, municipal and irrigation bonds, and various conditions regarding the debt limit and power to levy and collect taxes, which now are at great variance. Then, we have to-day the conflict of the laws of the states that have created public service commissions.

There are very important questions yet unsettled, and until settled the development of our public utilities must vary as the laws vary. No one in this day denies the value to the investing public of investigation and regulation of our great public utilities and it is to be hoped that this subject may receive such attention as will prevent over-capitalization and inflation, but it is a question whether any commission's powers should go beyond the protection of the public, as has been attempted in the Falls River gas works' case. There is to-day a conflict of the laws of the states and those of the federal government regarding con-

servation and control of water powers and until settled the development of hydro-electric properties will be greatly retarded. There is also the question of a federal corporation law; at present, business initiative is greatly hampered by the multiplicity of laws governing interstate corporations. Federal law, providing for national incorporation, making interstate corporations subject to uniform requirements with annual reports to be accompanied by a sworn statement, subject to investigation by a federal bureau, it is suggested would greatly improve the quality of our industrial securities and avoid much expense and confusion.

In this age of change of public sentiment and progress and in laying the foundations for the great volume of credit that must certainly follow, too much care cannot be given matters of a legislative character, because with a surplus of ideas there will be a surplus of laws, some of which will of necessity require amendment or repeal. There are also many questions of an academic character that I believe we can from time to time discuss among ourselves, such as the standardization of mortgages for gas and electric properties, street and steam railroads, likewise the value of serial mortgages versus sinking fund mortgages on industrial properties and the character and growth of real estate and building bonds; the question of listed versus unlisted bonds—that is, whether more of our unlisted bonds should not be listed—for the year 1910 only about 35 per cent and in 1911 about 44 per cent of new issued were listed. And finally the matter of the distribution of our securities; what can be done, if anything, to lessen our advertising and selling expenses and make our public offerings entirely reliable and more attractive?

We could, in my judgment, maintain in the office of the secretary a statistical library, which in time would grow to be of much value to our membership on the principle that the more knowledge one has the farther one can see into the future. We might also issue periodically a bulletin on proposed legislation, giving recent court decisions and decisions of public service commissions affecting stocks and bonds issued and about to be issued. Likewise keep our members and the public better informed as to the amount of money lost by investors in bond issues put out either by our own members or by those not members, hoping to correct present abuses and reduce losses to a minimum; likewise to aid in the detection of fraud and lend support to the prosecution of criminals found creating and selling worthless securities. It has been urged by some that the office of the secretary of this association would be the proper place for the deposit by each member, upon purchasing a new issue of municipal bonds, of a full set of legal papers together with copy of legal opinion. This will tend to improve the standing and marketability of municipal bonds, especially those of the smaller municipalities.

The practice to-day of large banks and investment houses underwriting new securities that are later distributed through the smaller houses is certainly a growing custom, but a work that banks and investment houses must carry on with a great deal of care, or the bankers in the large cities at least will become so largely classed as promoters that suspicion will attach to them and prove harmful to the general investment business, as well as discredit sound banking. The rapid concentra-

(Continued on page 25)

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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

When E. F. Swinney, president of the First National of Kansas City, entered his office on Wednesday of last week, a great mass of American Beauty roses reminded him that it was his birthday. Not that he had forgotten this important personal event, but he had set aside the afternoon for its celebration, when, with a bunch of close friends he went to the Kansas City Country Club for the annual Swinney birthday golf tournament that has been played for several years. Several years ago Mr. Swinney was presented with a beautiful silver loving-cup by his friends, and it has been the custom to engrave the name of the winner of the birthday golf tournament on this token. This year the honor went to W. F. Fible of the Houston, Fible Company, financial brokers. After the golf came a memorable club dinner. No one professes to know just how old Mr. Swinney is and he will not tell.

Increased Bank Capital

Announcement has been made of an increase in the capitalization of the Drovers National Bank of Kansas City from \$300,000 to \$500,000. Although this institution was organized in 1909 to help take care of the financial business at the Kansas City stock yards, it has been only within the past eighteen months that the bank's business has grown with almost sensational rapidity. At the beginning of this period the bank came under new management and from that time on things began to happen. The bank declared its first dividend and its business increased in all departments. Its banking rooms were enlarged and steps are being taken to equip an additional banking room just south of the bank at Sixteenth and Genesee streets. There will be no change in the directorate of the institution and the increased capitalization will be distributed among the stockholders.

Will Make Final Payment

It is announced by W. T. Kemper, president of the Commerce Trust Company of Kansas City, which, as trustee, is collecting the amounts due depositors of the failed All Night and Day Bank of Kansas City, that the final payment of 25 per cent will be paid depositors October 1st next. The depositors already have been paid 75 per cent of their accounts. The All Night and Day Bank of Kansas City was closed last December, several months after it had been absorbed by the American Union Trust Company.

First National of St. Joseph

A strong note of optimism characterizes the last trade letter issued by the First National of St. Joseph, Mo. It says that a year ago it

would be hard to believe that the change which has taken place during the last twelve months could occur. "At that time the country was in a pessimistic mood and business men concerned themselves very little over the news which promised well for the future," says the letter. "The one fundamental situation to which all business men must pay heed at every season of the year, but particularly at this time, is the condition of the crops. One statement regarding 1912 crops is safe and dependable and that is the farm output of 1912 for the United States will exceed all previous records in volume and value. One crop or the other may suffer from weather or pests between now and its harvest, but crops taken as a whole will be unusually large. The crop situation is highly satisfactory except that there is not sufficient labor to harvest the crops and not enough cars to haul them. Present high prices will induce growers to market crops early and a car shortage entailing a loss of millions to the farmers may occur. Only a considerable falling off in prices of food stuffs which would hold grain on the farms can prevent congestion in the West and Southwest.

Clearing House Organization for Oklahoma

The state bankers section of the Oklahoma Bankers Association met in Oklahoma City last week in special session to consider proposed changes in the Oklahoma state banking laws relating chiefly to the bank guaranty law and the operation of the state banking board. While there was much discussion of various changes no definite program was adopted. There had been some talk of splitting off from the national bankers and forming an entirely separate association, but it was decided to continue the state bankers section as now constituted, and retain the same officers, with the addition of the new executive committee. The officers are: President, George W. Piersol, Oklahoma City; vice-president, B. R. Brundage, Tishomingo; secretary, E. A. Patrick, Chandler; treasurer, H. S. McCauley, Sapulpa. One important decision of the Oklahoma state bankers was the creation of a clearing house organization which shall handle all matters of business which come up within the association, including proposed legislation. Under the plan proposed, a stockholder in each state bank shall take stock in the new organization and each bank shall have one vote in its management. The details will be left in the hands of an executive committee composed of seven bankers who shall be appointed by the president. This plan is one of the steps in a reorganization scheme proposed by a special committee appointed to work out the details.

Receives Threatening Letter

An attempt has been made to blackmail Fred Coe, cashier of the Bank of Creighton, a small town near Harrisonville, Mo., and situated about forty miles from Kansas City. A few days ago Coe received a letter demanding that unless \$4,500 were put into an envelope and left in a designated spot, the bank cashier and his family would be killed. The letter was signed "White Cap." Coe informed the authorities and a dummy envelope was placed in the place designated. Although a dozen men were hidden near by, some one got the dummy letter and took it away without leaving a trace. Now Coe is afraid he will be killed and his home is guarded constantly.

Oklahoma State Banks in Fine Condition

According to State Bank Commissioner Lankford, the state banks of Oklahoma are in 50 per cent better condition than they were in the early part of 1911. In his address before the state bankers section of the Oklahoma Bankers Association last week he said: "The tendency has been toward a decided determination to clean up and keep clearly within the law." He deplored the weakness of the Oklahoma laws with reference to the penalties for the violation of the state banking laws. He believes that an embezzler should be sentenced for from twenty to fifty years in the penitentiary. He also believes it should be made a felony to circulate any false report concerning the solvency of any banking institution. "I believe the bankers of this state should adopt a resolution urging the passage of a 'blue sky law' similar to that of Kansas," continued Commissioner Lankford. "The people of the state would owe you a debt of gratitude and besides you would be conserving your interests by this action. The fraudulent stock companies have fleeced the people of this state out of millions of dollars the past few years and quite a number of these companies have been driven out of Oklahoma by the banking department within the last year and a half."

Released From Leavenworth

After serving thirty-six months of a five-year sentence in the federal prison at Leavenworth, Kan., Noah R. Marker, one of about a dozen Indiana bankers who were indicted in 1909 for violating the national banking laws, was released on parole last week. Marker was cashier of the First National of Tipton, Ind., and in complicity with his brother, William H. Marker, was charged with embezzling more than \$100,000 from that institution. Two charges, one of 86 counts, were found against him, while William Marker was charged with getting away with large sums. Immedi-

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ately after the indictments Marker left Tipton, but on his return was arrested by the federal authorities. He claimed that he had been to the Ozark mountains on a fishing trip. It is alleged that he took \$60,000 with him on the trip. Since his incarceration Marker has been employed in the warden's office and has been one of the most trusted prisoners at the institution. For the last two years he has been acting as the warden's private secretary. He has been allowed many privileges and has spent much of his time roaming about the reservation when not employed. William Marker is at present employed in the chief clerk's office but probably will be released at the next session of the parole board.

Central West Notes

At a meeting of the stockholders of the Central Texas Exchange Trust Company of Waco last week the following officers were elected: president, R. R. Spencer; active vice-president, F. E. McLarty; secretary-treasurer, J. M. Higginbotham. The company enters the field with a paid-up capital of \$250,000 which will be doubled January 1st next.

Notice has been given that Charles L. Nuehaus will enter the business of his son, Hugo V. Nuehaus of Houston, Texas. The older Nuehaus is a director in the Union National Bank and Bankers Trust Company of Houston and with his son he will engage in the business of handling municipal and state bonds and other high-grade securities.

Louis Neese, aged 67 years, for more than twenty years an employee of the First National of Omaha, died last week after a long illness. During the last ten years he had been in charge of the foreign and domestic exchange department.

W. R. Allen, formerly cashier of a bank at Paris, Texas, convicted of violating the national banking laws and sentenced to five years in the federal prison at Leavenworth, was released on parole last week.

After several years of work detectives have captured the last of the famous Wymore, Nebraska, gang of bank robbers. The two remaining members of the gang were working on farms in Oklahoma when they were located by officers last week and taken into custody. They are charged specifically with the robbery of the Taft (Kan.) State Bank, December 3, 1910.

G. W. Searls, one of the wealthiest citizens of Atchison, Kan., and for many years connected with important financial institutions of Wichita as stockholder and director, died last week.

Arthur A. Croxton, president of the City National Bank of Nocona, Texas, died at his home in that city last week.

A new bank of Oklahoma is the Farmers State Bank of Waukomis which has a capital stock of \$15,000. The incorporators are A. P. Wilcox, E. A. Pendarvis of Enid; and Louis W. Green of Hunter.

W. B. Harrison of Enid, Okla., secretary of the Oklahoma State Bankers Association, has gone to New York on a business trip.

Among the visitors in Kansas City's financial district last week were: Fred Vining, secretary of the state banking board of Oklahoma; Frank S. Phillips, Bartlesville, Okla.;

Willard Johnson, Shawnee, Okla.; W. B. Kiler, Ottawa, Kan.; W. G. Tullos, Rantoul, Kan.; Charles H. Steeper, McLouth, Kan.; D. F. Callahan, Kingman, Kan.; J. O. Tullos, Sedan, Kan.; C. J. Althouse, Cameron, Mo.; O. A. Simmons, Atchison, Kan.; D. M. Ferguson, Paola, Kan.; R. A. Kent, Stoddard, Kan.; J. L. Hine, Springfield, Mo.; G. W. Allison, Atchison, Kan.; H. C. Rupert, Chetopa, Kan.; J. W. Farley, Farley, Mo.; P. A. Dolf, Apache, Okla.; C. F. Bolton, Scranton, Kan.; Paul Tyler, Clinton, Mo.; J. B. Perry, Tulsa, Okla., and J. B. Haven, Dennison, Texas.

The banking department of Texas has approved the South Texas Commercial National of Houston, as a reserve agent for the Kenney State Bank, Kenney, Texas.

FOURTH NATIONAL ON TRADE IMPROVEMENT

The Fourth National Bank of New York has made a canvass of the views of representative business men, to learn the extent of the improvement in trade. In its August 1st circular it says:

This canvass covered the greater part of the United States. It took in most of the important manufacturing and retail centers, and the inquiries specifically asked (1) how general business conditions to-day compare with those existing at the same time last year; (2) to what extent the presidential campaign is likely to unsettle general trade; and (3) what is the strongest factor in the business and financial outlook.

The replies show that business is much better to-day than it was last year. The gains noted range from 10 per cent to 20 per cent or more, and from everywhere special attention is called to the fact that people are much more optimistic now than they were last year, when labor was only partially employed, and when the preliminary struggle for the presidential nominations was before the country. One merchant in Cleveland describes conditions as "infinitely ahead of last year." From one of

the greatest dry goods concerns in the West comes the assurance that its customers, with very few exceptions, report generally improved conditions. From St. Paul there is assurance that the business outlook was never more encouraging, and that the situation has vastly improved. In Salt Lake City the outlook is said to be much better, because of the bountiful crops and the higher prices obtained for lead and copper.

An important interest in Tennessee reports that sales and collections have greatly improved, and that labor is profitably employed. In Denver, business conditions are said to be highly encouraging, and the volume materially ahead of what it was last year. In Arkansas "financial conditions are good, general trade fair, and the crop prospects satisfactory." St. Louis shows up better than a year ago, and the excellent crop outlook is creating an optimistic feeling there. Such reports are typical of those received from other sections, and with the exception of one or two cities where business suffered severely from the floods of a few months ago, the story is one of increased activity and greater confidence. From all directions comes the assurance that better times are ahead, and that people are feeling more hopeful about the future.

It is evident, at the same time, that notwithstanding this improvement, many are disposed to proceed slowly, and not to engage in speculation. There is no disposition to overtrade, and the tendency of most merchants seems still to be to buy only such merchandise as a quick market requires. The small merchant is reported to be carrying abnormally low stocks, in an effort to avoid mishaps and to make certain of his market before committing himself at all heavily. Advices from many cities indicate an excellent fall business, and it is plain that some large advance orders are being received.

To sum up, the feeling is that business is not going to be disturbed by politics; nor, if the crops turn out well, is it going to be held back by the usual vicissitudes of a presidential campaign. Mercantile interests generally are in a sound condition, and because of the thorough-going liquidation that has taken place in all lines there are to-day very few weak spots.

NEW BANK FOR STORY, IOWA

Nevada, Iowa.—Story county is to have another national bank, the Story Bank, heretofore a private institution, having received its charter as a national bank and will hereafter be known as the Story City National Bank, its charter number being 10,222. It is understood that a new building will be erected for the new institution within the coming year. The building will be erected on the corner now occupied by the bank. The board of directors of the new institution consists of Joseph Marwick, president; Henry N. Donhowe, vice-president; John Donhowe, cashier; P. C. Donhowe and Jonas Christian. Hallvard Kloster will be assistant cashier. The bank is capitalized at \$40,000 with a surplus of \$4,000.

First State Bank of Ellinger, Texas, has been incorporated with a capital stock of \$10,000. Incorporators are: Leo Frede, LaGrange; C. J. H. Meyer, C. W. Ehlinger, Ellinger, and others.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

With a \$10,000,000 gain in bank clearings for July, Minneapolis closed the seventh successive month of 1912 to show increases over 1911, and with the total figures so far in the year \$569,632,782.14, compared with \$542,589,713.69, the total increase over a year ago is now \$27,043,068.45. The seven months compare as follows:

	1912.	1911.
January	85,699,581.99	\$85,684,404.74
February	77,712,657.11	70,861,772.47
March	82,949,599.18	82,628,645.99
April	83,375,251.76	76,360,750.73
May	79,758,194.89	77,455,968.43
June	78,244,505.76	77,658,216.71
July	81,872,991.45	71,939,954.62

Totals \$569,632,782.14 \$542,589,713.69

The state of Minnesota has closed the most active fiscal year in its history. Total receipts for the period amounted to \$15,805,302.71, and the disbursements \$16,321,065.41—making total transactions aggregating more than \$32,000,000 for the year. The big total is double that of ten years ago, which was \$16,170,000 in 1903.

State Auditor Samuel G. Iverson declares that although current balances are lower than those a year ago, the state is in a healthy financial condition. The revenue fund balance this year is \$89,713.63, as compared with \$443,576.49 at the end of 1911.

"Big expenditures in the form of state aid to higher education," said Auditor Iverson, "and other demands this fall will produce the usual lean period in state finances late in the year. This stringency might be avoided by the proposed change increasing the railroad taxes from 4 to 5 per cent and making those taxes payable twice a year, and in that way save the state many thousands of dollars interest on loans floated to tide it over the lean periods. The provision for semiannual payment of railroad taxes will doubtless be ratified by the people, a constitutional amendment being required to alter the present system."

H. W. Parker

H. W. Parker, cashier of the Merchants National, has been appointed chairman of the membership committee of the National Association of Credit Men. R. A. Durkee, St. Paul, is another member, T. H. Green of Minneapolis, H. A. Sedgwick, Duluth, and H. M. Obendorfer, Milwaukee.

Twenty-five Years with Northwestern National

Joseph Chapman, Jr., looking backward the other day twenty-five years was startled to see himself a messenger boy again in the Northwestern National. He made a far cry when he did it, for he is now vice-president of the bank, and provocator of many movements in the banking line. Speaking slowly Mr. Chapman told his interviewer: "You bet I started at the bottom. There wasn't anything lower than I was. I took orders from the janitor, got the mail, licked stamps and swept the sidewalk."

In Honor of the Conference

Preparatory to the educational and agricultural convention of the bankers this week the Northwestern National had the bank building washed outside and redecorated and lightened up inside, and had the Northwestern Bank building adjoining, a Lake Superior sandstone affair, scrubbed with wire brushes until it harked back twenty-five years ago when it and Joseph Chapman started in business.

Trust Funds Invested in Securities

State permanent trust funds, amounting to \$19,180,788, are invested in securities, says State Treasurer W. J. Smith in his fiscal year report just made. In the year just ended \$2,029,371 has been invested and \$765,940 has been paid back from former loans. In the closing year \$3,551,040 was spent for school purposes, of which \$1,531,700 came from the revenue fund and \$2,019,340 from the general school fund.

Great Growth of State Bank Business

The combined capital and surplus of Minnesota state banks almost equal total deposits in 1897. For the first year periods Superintendent Kelsey S. Chase has prepared a comparative summary. Many figures of the report will be displayed in the banking department exhibit at the state fair in September. A map will show the capital and deposits in every county. Overdrafts have not grown in the comparison as rapidly as loans and the total surplus has grown more rapidly than capital. Both, according to the superintendent, indicating better banking methods.

Following is the comparative statement for five-year periods from 1897 to 1912:

	1912.	1907.
Number of banks	747	466
Loans and discounts	\$110,900,638	\$65,229,366
Deposits	123,866,907	73,655,715
Overdrafts	336,384	351,047
Capital	14,392,800	10,686,600
Surplus	4,028,593	3,096,267
	1902.	1897.
Number of banks	238	145
Loans and discounts	\$38,100,783	\$16,940,008
Deposits	45,326,140	18,414,515
Overdrafts	219,179	112,290
Capital	7,360,700	6,196,200
Surplus	1,236,055	816,606

Leave August 20th for Salt Lake Meeting

Eleven members of the banking chapters in the Twin Cities will represent the clerks August 20th at Salt Lake. They will leave August 18th in a special car, joining the easterners at Omaha. Among the Minneapolis men are J. G. Maclean, credit man of the Security National, F. J. Mulcahy of the Minnesota Loan and Trust Company, E. C. Phinney of the Northwestern National, and L. F. Ainsworth of the First National. George L. Allen of New York City, who is educational director of the institute, spent Tuesday in Minneapolis and was entertained by the officers of the Minne-

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Oklahoma CityBoston
Detroit

apolis Chapter at an informal dinner at the Commercial Club.

Minneapolis Trust

The board of tax equalization has under advisement the protest of the Minneapolis Trust Company that it should be taxed under the new state money and credits law instead of by the old law affecting banking corporations. The trust company obtained a favorable decision in the district court and it is now before the supreme court. The city assessor assessed the company this year under the old law at \$550,508, on which the tax amounts to \$16,515. The trust company's petition places its taxable holdings at \$1,001,078, under the new money credit law, the tax amounting to \$3,003. Pending a decision from the supreme court, City Assessor Fort has not seen fit to change his method of assessing the company's property in accordance with the decision of the Hennepin county court in the former case. The Minneapolis Trust Company, which does not do a banking business in the generally accepted sense, is the only financial concern in Minneapolis that can claim benefit under the new money and credits law.

Minnesota Notes

Threshing of grain has begun in Minnesota and the Northwestern National has its lobby decorated with sheaves showing head and height.

The contract for the state Bank building at Edgerton, Minn., has been awarded to the Twin City Construction Company.

The Peoples State of North Mankato, Minn., has capitalized at \$15,000. Officers are: O. W. Walker, president; N. A. Door, vice-president, and John C. Struck, cashier. These and Ned Rist, F. E. Jefferson, E. Roust and C. E. Ball are the directors.

CLOSE CONNECTICUT BANK

Danielson, Conn., August 6.—The Windham County Savings Bank was enjoined to-day from paying out or receiving money by Bank Commissioners Norris S. Lippitt and Fred P. Holt, who came here Monday and began an examination of the bank's books. Nothing official is given out, but it is understood that a discrepancy of \$18,000 has been found in the bank's accounts.

The coming of the commissioners was entirely unexpected. Soon after they began their examination an apparent discrepancy, it is said, was found and it was decided best by them to close the bank's doors until a complete examination of the books had been made. Commissioner Lippitt said that the depositors need have no fear of the outcome.

The bank was incorporated in 1864, and once before was closed temporarily. The president is John A. Paine and the treasurer C. C. Young. The amount of deposits is given at \$850,000.

Center Point, Ia.—The Linn County Savings Bank has increased its capital from \$10,000 to \$20,000.

OFFICE HOLDERS IN AMERICAN BANKERS ASSOCIATION

To Editor THE CHICAGO BANKER: Under the above caption in several banking journals of November, 1911, there appeared a trenchant criticism by E. L. Johnson of Waterloo, Iowa. Also statements as to usurpation of offices in the American Bankers Association, by a few to the exclusion of the many.

At the last session of the American Bankers Association at New Orleans, C. H. McNider of the First National Bank of Mason City, Iowa, offered a resolution to correct in part the wrongs of some members holding three years on the executive council—one as chairman—then vice-president—then president—then three years ex-officio member of the executive council, including several committee appointments at the same time.

This resolution was threshed out on the floor of the convention, and when a vote was taken, the insiders could not, or would not, discern the difference between 227 affirmative votes to 165 against, until noses were counted. The resolution was lost, as a two-thirds vote is required to amend the constitution. However, the result indicated the "handwriting on the wall," and to make partial amends, the last council meeting at Briarcliff approved of the following:

"Resolved, That the following amendment to the constitution be adopted, effective in 1913: That the last paragraph of Section 2 of Article III of the constitution of the American Bankers Association be amended by prefixing thereto the following:

"During the period of one association year after his term shall have expired, the chairman of the executive council shall not be eligible for election by the association to any other office."

This amendment clearly does not go far enough; therefore I offer the following as a partial correction. This has the unanimous approval of the American Bankers Association members of the Wisconsin Bankers Association at the late session.

Amendment to Constitution of the American Bankers Association, Offered by Andrew J. Frame

Whereas, the executive council of the American Bankers Association, through excess of membership, has become unwieldy and also unnecessarily expensive, thus aiding in expenditures aggregating \$197,000 for 1910-11—which equals the total receipts; and

Whereas, certain officials and committeemen have been continued in various positions to the extent that ten men have held over 150 of those honors in the past ten years, and that most of the members of the executive council have been absolutely excluded from participating therein; therefore be it

Resolved, That Article III of Section 2, Subdivision (c), referring to members of the executive council, which reads as follows: "The following shall be members ex-officio: the president of the association; the first vice-president; ex-presidents for three years after

the expiration of their terms of office as president; the president, first vice-presidents and chairman of the executive committee of trust companies, savings banks and clearing house sections; the chairman of the executive council of the American Institute of Banking, and the president of the organization of secretaries of the State Bankers Association, known as the state secretaries section," shall be amended by eliminating therefrom the words "ex-presidents for three years after the expiration of their terms of office as president."

Resolved, That there be added to Article IV of Section 6—after subdivisions 1, 2, 3 and 4, the following: "(5) No delegate representing a member of the association shall be entitled to hold more than one committee appointment at the same time."

As to continuing committees year after year, in Article IV of Section 6, under Section (2) in tenth line—after the words "be continued for a similar period" insert the following, "except after three years' continuous service, such committee shall be continued only by unanimous consent of those voting thereon."

These do not cover the whole ground, but will be a step toward equity. As I close at this session my three years on the council, no man can charge me with personal motives in the matter. I seek only to correct, as far as possible, palpable wrongs. No matter how capable the men may be who have served heretofore, the point is still well taken that among 12,000 bankers, official honors should not be monopolized by the few. Will the American Bankers Association suspend business if the change is effected? The handwriting is on the wall—227 to 165—therefore, pass the honors around.

A. J. FRAME.

P. S. If you see fit to publish this, do so, and if you wish I will stand sponsor as its author. I go out of the council at the next session, so I am at liberty to speak without being charged with personal motives. With kind regards and best wishes, I remain, very cordially yours,

A. J. F.

PROMINENT MISSOURI BANKER VISITS CHICAGO

J. G. Schneider, vice-president of the German-American National Bank, St. Joseph, Mo., stopped off in Chicago this week on his way to Massachusetts. He reports everything in north-west Missouri and surrounding territory as extremely prosperous. Crop prospects are very favorable and never were better. Mr. Schneider is quite a prominent Missouri banker, having been engaged in the banking business for a number of years. He says people in that section of the country are very optimistic as to the outlook.

JAMES M. HURST ON HIS VACATION

James M. Hurst, assistant cashier of the National Bank of the Republic, is away on his vacation. He expects to be away about two weeks.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

Assets Over
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Seattle

Reports collected annually by the Seattle Post-Intelligencer, showing the crop outlook, have been a feature of the newspaper's activities for years. This year's report indicates that the showing of last year will be exceeded by 25 per cent. With the exception of damage to fruit in some sections of the west side by the recent rains, bumper crops are forecast. Chief Grain Inspector C. J. Holst, of the public service commission, is quoted as predicting 38,000,000 bushels of wheat for Washington. Other grain and the fruit crops in all sections are expected to make fine showing. Some damage to hay in Skagit county is reported, but the same count promises an oats yield of 150 bushels to the acre. Even with damage to hay last year's record will be broken.

8 PER CENT DIVIDEND

San Francisco.—An additional dividend of 8 per cent will be paid by W. R. Williams, state superintendent of banks, to the depositors of the Bank of Shasta County in the next week or ten days, the dividend being made possible by the action of the supreme court in approving an offer of \$20,000 in settlement of the liability of four stockholders of the bank. This group of stockholders, three of whom were directors, owned 166 shares of stock, and their proffered settlement was on the basis of approximately \$120 per share. The court rejected the offer of another group of stockholders, representing 381 shares, to settle for \$50 per share.

BANK AFFAIRS SOON SETTLED

Napoleon, Ohio, August 6.—That the affairs of the Citizens State Bank will soon be settled and the depositors receive 100 cents on the dollar is the belief expressed here. At a meeting in which 60 per cent of the depositors was represented the four surviving directors as individuals offered to buy up the outstanding claims at face value within 30 days; all agreed to the proposal. Since the bank's assignment in December, 1908, Assignee Donovan has paid 70 per cent of the claims against the bank. The remainder amounts to \$120,000. There is little doubt that the proposition will be accepted by all depositors.

BANK LOANS EXPAND

The 7,372 national banks (with resources of nearly ten billion dollars) have just made their reports to the government. Some of the big figures are worth noting. The deposits are nearly 6,000 millions. The loans are nearly 6,000 millions. The cash is nearly 1,000 millions. Business is better than a year ago. Business men need more credit and more means of payment with which to do business. The banks have supplied this demand by an increase of 350 millions in loans, creating 350 millions in new deposits.

George R. Baker, assistant cashier of the National Bank of Commerce, St. Louis, recently has returned from the Ohio bankers convention. He reports the sessions as well attended, and says he had a good time.

OREGON'S "BLUE SKY LAW"

Support of the new bill, known as the "blue sky law," to be placed before the people at the coming election appears to be growing, the Portland Chamber of Commerce and the Portland Realty Board having recently filed arguments in favor of it. It is pointed out that the purpose of the bill is to protect the public from unscrupulous promoters and to foster and encourage legitimate enterprises by making it impossible for dishonest corporations to exist. It is proposed to place the handling of all State corporation business in the hands of a separate department, the cost of which will be about \$12,000. The present cost of running corporation business is about \$7,000. As revenue under the new law will amount about \$20,000, it is estimated there will be a saving to the State of about \$15,000 and a saving to the people of not less than \$1,000,000 now thrown away on worthless securities.

California

California bankers, and those of the Pacific Northwest states, have changed their itinerary and will arrive in Chicago at 7 A. M. on Sunday morning, Sept. 8th, over the C. & N. W. from Minneapolis. They hope to join the Twin City bankers on their way down to Chicago and will make the daylight run from Chicago over to Detroit as a part of the Chicago special. They will arrive in St. Paul at 1:40 P. M. Saturday, Sept. 7th, and leave there for Chicago at seven o'clock in the evening.

CHICAGO VISITORS

W. R. Marriett, vice-president of the Capron Bank; J. W. Crawford, Dixon National Bank; Charles W. Boyden, cashier Farmers State Bank, Sheffield, and B. W. Mead, cashier State Trust and Savings Bank, Peoria, are Illinois bankers who called on Chicago banking acquaintances the past week. J. B. Green, secretary of the Gary Trust and Savings Bank, and T. W. Yates, cashier of the Commercial Bank and Trust Company, Laurel, Miss., also were in the city.

INDIANA BANKER FREED

Noah P. Marker, formerly cashier of the First National Bank of Tipton, Indiana, who was convicted of having embezzled large sums of money from that institution, has been released from the federal prison at Leavenworth, Kan., on a "good behavior" parole. He has served three years of a five-year sentence.

Tacoma

Pursuant to the action taken by the recent convention of the Washington Bankers Association an energetic canvass is now being made among the various bankers of the state that are members in the American Bankers Association in order to secure the 39 new members, so as to entitle Washington to an additional member of the Executive Council, thus making the election of W. D. Vincent, cashier of the Old National Bank, Spokane, definite and sure. The present membership of 261 lacks but 39 of the number necessary to give the additional member in the executive council. These new members must be secured prior to August 31, 1912. Membership in the American Bankers Association for banks whose capital and surplus is under \$100,000 is \$10 a year, but applications received now will give a membership up to and including September 1, 1913, for one year's dues, thus gaining practically two months. It is earnestly hoped that the Washington State bankers will patriotically fill up the applications so as to make up the desired number and thereby double the state's representation in the most important financial organization in the world.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, July 24, 1912, and ending Tuesday, July 30, 1912, both inclusive.

California—Yuba City, Savings Bank of Sutter County.

Dist. of Columbia—Washington, Seventh St. Savings Bank; Washington, Washington & Southern Bank.

Florida—Miami, Miami Savings Bank.

Indiana—Rolling Prairie, InterLaken Bank.

Iowa—Cascade, Cascade State Bank; Correctionville, Merchants State Bank; Halbur, German Savings Bank; Ryan, Ryan State Bank; Sioux City, National Bank of Commerce.

Kentucky—Benton, Bank of Benton; Lexington, Lexington Banking & Trust Co.

Maryland—Baltimore, Equitable Mortgage & Trust Co.; Salisbury, Salisbury Bldg. Loan & Banking Ass'n.

Missouri—Hardin, Bank of Hardin; Higginsville, Farmers Bank; Windsor, Farmers Bank.

New Jersey—Bayonne, Bank of South Hudson; Elizabeth, Elizabeth Trust Company.

Oklahoma—Lambert, Farmers Bank.

Pennsylvania—Lewistown, Lewistown Trust Company.

Tennessee—Hickman, Bank of Hickman.

Washington—Bellingham, Northwestern National Bank; Cashmere, Cashmere State Bank; Dayton, Broughton National Bank; Edmonds, State Bank of Edmonds; Hartline, Hartline State Bank; Oakville, Oakville State Bank; Prosser, Benton County National Bank; Rockford, Farmers & Merchants Bank; Springdale, Farmers & Merchants Bank; Sunnyside, First National Bank; Waverly, Waverly Exchange Bank.

West Virginia—Parkersburg, Second National Bank.

BANK CLEARINGS FOR JULY

Bank exchanges during the month of July, according to the regular statement compiled by R. G. Dun & Co., which includes returns from 128 cities in the United States, make a



THE OLD NATIONAL BANK of Spokane

offers correspondents genuine service based on a knowledge of their needs and an organization capable of meeting them in every particular

D. W. TWOHY, President
T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

very satisfactory comparison with both preceding years, the total aggregating \$13,977,582.825, an increase of 7.4 per cent as compared with the same week last year and of 5.2 per cent compared with the corresponding week in 1910. Every section into which the statement is divided shows more or less improvement over last year, and all a considerable gain as compared with two years ago, and New York City reports a substantial increase over the total of both years, although speculative activity was on a much reduced scale. A considerable volume of business in commercial and industrial lines is indicated by the satisfactory returns from the majority of the leading cities in the New England states, Boston, Providence, Hartford, Worcester, Springfield, Fall River and Portland being among those reporting good gains over both preceding years.

The majority of the large cities in the United States now report more or less gain over both years, notably Boston, the increase at that point reflected in part the revival of activity in the textile industry, and at Pittsburgh expansion in the iron and steel lines, while broadening in other departments results in a better showing by Chicago, Minneapolis, St. Louis, Cincinnati, Cleveland and San Francisco.

Philadelphia

The August circular of the Franklin National takes a favorable view of general trade conditions, but says the labor situation is of more importance to the business world than the question of who is to be president.

The Commercial Trust Company of Philadelphia has added John Cadwalader, E. W. Clark, Howard S. Graham and Clement B. Newbold to its board of directors as representatives of the Trust Company of North America, which was recently merged into the Commercial Trust Company. Charles P. Lineaweaver has been elected secretary and trust officer of the company.

Three new assistant cashiers have been elected by the Farmers and Mechanics Bank of Philadelphia as follows: E. T. Stotesbury Lewis, G. H. Miller and John Schlagle.

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

Chicago Chapter held its annual outing on Saturday, August 3d, at High Lake, Ill. The weather was slightly cool. There was swimming, boat riding, races, dancing, and a baseball game. Everybody seemed to be in the best of spirits and enjoying the outing. Coffee was served free, and nearly everybody had brought their lunch along. However, there were quite a number who, laboring under the impression that lunch could be obtained out there, did not take any lunch along with them. Mr. and Mrs. Arthur Briggs, who had foreseen this, took enough lunch with them for two score or more, and all those who did not have their lunch with them, were heartily entertained by Arthur Briggs, paying teller of the First National, who is somewhat of a philanthropist. The baseball game was played between the Continental team and the Money Order and Postal Savings team, being won by the Continental team, with a score of 18 to 7, being altogether a one-sided affair. The outing as a whole was a splendid success, thanks to Herman E. Ellefson, chairman of the entertainment committee.

The Security State Bank of Benedict, N. D., has opened for business. Officers: J. Tofflemire, president; F. S. Tofflemire, vice-president; J. A. Morris, cashier.

GEORGE B. CALDWELL "KEYNOTES" INVESTMENT BANKERS ASSOCIATION

(Continued from page 19)

tion of capital in holding companies controlling public utilities, thus centralizing management, has to date been helpful to the investor and to the consumer, but the business is growing so large and so fast as to bring with it many problems for our solution, the correct disposal of which is of much concern and of common interest to investment bankers and to the public as well as to all commercial bankers.

The true value of corporate property is given as about \$60,000,000,000 as against 15,000,000,000 in 1900, while we annually refund bonds amounting to \$500,000,000. The charge upon business is now very large and if business becomes depressed it must in the very nature of things grow less profitable. Otherwise, we will invite a law similar to the "British Companies Act," whereby many corporations will be able to issue securities direct to the investing public, and the business of investment banking be somewhat reduced. It is already a fact that to-day first-class underwriting houses are meeting with more than ordinary difficulties in securing new issues of the proper quality. However, it is a tribute to the character of high-grade American bond houses that the same inflexible standards govern their purchases of securities irrespective of the state of the bond market.

Declining high-grade bond values have for years constituted a world-wide phenomenon. In the necessary competition for public funds, the railroads have been hard pressed by the public service corporations, by the manufacturing industrials and by the newer municipalities, the credit of which precludes the sale of bonds on a low interest basis. The result has very naturally been a universal increase of interest rates; and the readjustment process has been upward to the rates which industrials are willing to pay for capital, and not down toward the once common 4 per cent return on railroad bonds, a return more honored now in the breach than in the observance. Many bond authorities deplore the present tendency toward higher yields; they say it smacks of a too liberal construction of the laws and ethics of wise investment—that nowadays the investor considers the rate first, then the bond itself. However that may be, it is useless to deny that high-priced capital is a condition, not a theory, and that so far as we may judge from the present and the past, the hitherto

avored corporate borrowers will be constrained to concede more and more to the insistent demand of the great investing body. Our railroads particularly face the problem of a falling freight rate and rising interest rate.

During the past two years we have been sending large amounts of capital to Europe and Canada, yet our railroads are unable to secure capital at home in large amounts, for the long period needed for financing necessary improvements, at rates they can afford to pay. Some have borrowed abroad, while many others are at a standstill. In sharp contrast to our situation is the extensive railroad building now being carried on in Canada under the fostering influence of a liberal government policy. It is my opinion that public sentiment in our own country has become so prejudiced against our railroads and their past management that we are sufferers from our efforts to readjust our methods on what we allege are more conservative lines. Is there any assurance that this same period of reaction will not attach to other forms of corporation financing?

In fact, is it not already here? And should not bankers associations, chambers of commerce, manufacturers associations, etc., unite for the protection of our industries, which can best be secured, it seems to me, by a campaign of honest publicity and a broader education of our great army of voters, who periodically are used to create this adverse sentiment until the truth is made to appeal to them. Is it not time for us to recognize the value and importance of public sentiment and lend a hand to support markets for our securities at home and abroad, at least when public sentiment runs against us?

It is my judgment that the time has come when the business interests of this country are entitled to a hearing. We have recently witnessed the organization of the chamber of commerce of the United States of America, and it promises to be of great service and to do much good. Through such an association we can, if organized, expect to receive and to extend some support. Through a greater organization they expect to deal with business problems from a scientific standpoint. Why should not we do so? Unless through one central body we declare our ideas as a unit and express with a common voice the demands for legislation helpful to our business, how shall we get it? The mass of people to-day looks upon the present situation not only without fear, but with hopefulness. There is, however, a better understanding of finance, and of credits, a new basis for financing, and there is going to be a finer scientific attitude toward public affairs, a deeper desire for truth, a far more sensitive feeling toward human rights and a higher standard of integrity in all business affairs. There will be no destruction of things good, or confiscation of property. But there is a demand that the security for our bond and stock issues should improve and if we form this organization we shall be better prepared to take our share of the responsibility, which progress will require, and we will, I believe, be able to reap that reward which attaches to the legitimate promotion of America's industries.

This is the spirit of modern banking—whether commercial or investment—and is offered to you by your organization committee as a broad basis upon which to build the Investment Bankers Association of America.

During last month eighty-seven new accounts were opened in the Indianapolis postal savings banks. There was on deposit at the close of the month \$81,548. Since the bank opened 1,488 accounts have been started, and during that period 674 accounts were closed. Of this number seventy-five were closed in 10 months.

THE COAST LINE TO MACKINAC



DETROIT CLEVELAND BUFFALO NIAGARA FALLS

TOLEDO PT. HURON GODERICH ALPENA ST. IGNACE

THE CHARM OF SUMMER SEAS

Spend your vacation on the Great Lakes the most economical and enjoyable outing in America. Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay.

A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers.

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THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
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An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
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The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The Bank of Keosauqua, Ill., has changed hands. It has been sold to the Merchants State Bank of Centralia, who have taken possession. E. S. Ackerman, the cashier, will remain at the bank for a short while, after which he will go to Centralia to take a position with the Merchants State.

Des Moines, August 7.—The movement for better crops in Iowa was given a lively launching at a state convention held in Des Moines Thursday of last week. It was a gathering called by the commercial interests of Des Moines and by Percy W. Hall, secretary of the Iowa Bankers Association. In order to secure the services of P. G. Holden as expert in charge, it was necessary to make a quick decision and those back of the movement called the convention forthwith. Charles T. Shade of Rock Rapids, president of the Iowa Bankers Association, was on the scene and took an active part in the deliberations. The organization became a certainty. The following officers were named: president, P. G. Holden, Ames; vice-president, R. P. Holton, Des Moines; secretary, G. E. Stayner of Ames; treasurer, P. W. Hall, Des Moines. Directors: C. F. Curtis, Ames; C. E. Bradley, Atlantic. C. H. McNider, Mason City; W. W. Marsh, Waterloo; R. W. Young, Buffalo Center; Fred E. Bissell, Dubuque; G. S. Allen, Mount Airy.

Objects of the Association

The objects of the association as outlined by the committee on resolutions are briefly detailed as follows: First—Improve the economic conditions of the state; second—Increase the soil productivity; third—Better the rural school conditions; fourth—Create social centers in rural districts; fifth—Improve the moral tone of the state; sixth—Promote county organizations for crop improvement.

As was explained last week, the movement is to be endorsed and pushed in all possible ways by the Iowa Bankers Association. It is in keeping with the recently adopted ideas of crop betterment as a means of adding to Iowa's wealth. An effort will be made to secure \$300,000. This will be divided up so that each county will receive \$3,000. There will be crop experts sent into each county of the state. There was a furor started at the convention when the charge was made that the movement was an advertising scheme by a Chicago mail order concern. However, the consensus of opinion seemed to be that "tainted" money, like water, is purified by circulation, and it was decided to take all money available and offered irrespective of source.

For Repeal of Statute

It is quite evident that the present Iowa statute putting a straight five mill levy on moneys and credits is going to be an "issue" before the coming session of the legislature. The law, it will be remembered, was passed by the last legislature upon the showing that the law formerly on the books was driving capital out of Iowa. Bankers for the most part favored the present law. However, in some of the counties the word has gone out that there will be a big fight made for the repeal of the statute when the Solons meet. The contention of the opponents of the present law is that it was designed to bring much hidden money out into the open and that it

has failed of its purpose. Last week, it was shown that the revenue from the moneys and credits had fallen off to such an extent that the levy was raised .1 of a mill, although \$29,000,000 increase was shown in the amount for assessment. This is being used as an argument that the law is proving an expense to the average taxpayer who is not as well able to bear it as the capitalist whom the new law assists. The reports from six counties show an assessment of money and credits and bank corporation stock less than that of the previous year. These are Scott, Taylor, Warren, Cerro Gordo, Jefferson and Dickinson.

Bank Clearings Show Big Gain

Des Moines bank clearings continue to show a flattering gain. In the month of July, the clearings totaled \$19,007,665.63, while for the same month last year, they totaled \$16,026,575.29. This is an increase of \$2,981,090.34, which Des Moines bankers consider eminently satisfactory. The clearings for the closing week in July showed an increase of \$307,673.45 over the clearings for the corresponding week last year.

C. H. McNider

C. H. McNider, the popular Mason City banker, is winning prominence by having some big trees on his farm near that city doctored by tree surgeons. The trees have been decaying within the bark. Mr. McNider has had the experts bore holes in the trees, treat the fungus to a dose of corrosive sublimate, then fill the hole with cement coated with tar to keep out the water. He believes that some of the trees which might otherwise die of old age will now last several years.

Establish Postal Savings in Des Moines

Four postal savings banks have now been established in Des Moines by Postmaster L. C. Kurtz. The central station at the downtown postoffice is showing up with deposits of \$35,348 and 650 depositors. The new East Des Moines station has \$206 in deposits, the new Highland Park station \$20 and the new University Place station \$4. All classes of people are represented in central station depositors, but the foreign element which is working in the mines surrounding the city is predominant.

Death of Mrs. McHenry of Denison Mourned

Denison, Iowa, has been mourning the death of Mrs. Mary McHenry, wife of President W. P. McHenry, of the First National Bank. Mrs. McHenry died of paralysis at the banker's summer home at Arnold's Park, where she has been spending the summer. As the stock in the First National is owned by the McHenry family, Mrs. McHenry was vice-president of the institution for many years. The deceased has been prominent in Iowa. She was past national president of the Woman's Relief Corps and was prominent in W. C. T. U. circles. She made a specialty of fancy stock raising and has taken many prizes at the Iowa

state fair. All business houses at Denison were closed during the funeral, which was largely attended.

Private Bank Fails

Another private bank has gone "broke" in Iowa and the three owners of the Pilot Mound Bank at Pilot Mound have filed bankruptcy schedules in the federal courts at Des Moines. The institution owes its depositors \$61,792.86 and lists collectable notes of \$49,400 to partially offset this amount. The total assets are given at \$63,812.73 and the liabilities at \$73,959.85. W. P. Linn lists his assets at \$21.34 and his liabilities at \$12,522.22; R. A. Linn lists his assets at \$5,781.70 and his liabilities at \$7,785.85. The third owner, A. Lundblad, lists his assets at \$20.800 and his liabilities at \$47,546.80.

It is announced that S. L. Moore and J. H. Herman have organized a new bank at Pilot Mound to be known as the Pilot Mound Savings, although articles have not been filed. Mr. Moore will be president and Mr. Herman vice-president. The new bank commences operations at once.

Appointed State Bank Examiner

Announcement has been made of the appointment of J. M. Hockett of Des Moines as state bank examiner. Mr. Hockett was some years ago a clerk in the Century Savings, Des Moines, and later was cashier of a bank at Le Grande. He accepted a position as credit man for a big Des Moines furniture house and is now engaged in ascertaining whether the state and savings banks of Iowa are properly conducting their business.

Iowa Banking Notes

Charles D. Waterbury, a banker from Dayton, Iowa, was brought to Des Moines for hospital treatment some days ago. However, the treatment availed him nothing, and he died Sunday of last week. The remains were taken to Dayton for interment the following day.

George B. Hippee, who recently acquired a controlling interest in the Iowa Loan and Trust Company of Des Moines, along with Simon Casady of the Central State Bank, has been elected president of the institution succeeding Walter E. Coffin. Mr. Casady was chosen director to succeed Mr. Coffin.

It is stated that a sixth story will be added to the new Teachout building in East Des Moines which is to be occupied by the Iowa Trust and Savings Bank. The applications for rooms in the building by professional men has been so heavy that the original plan of a five-story structure is likely to be abrogated.

Secretary W. C. Hayward has turned over to State Treasurer Morrow \$37,476 as automobile taxes collected in July. The amount was not to be turned over until August 15th but there was demand for the money to be used in road building this fall. The total amount of automobile taxes collected this year is estimated to be \$170,000.

Mrs. Lucille Dearborn, daughter of W. H. Anderson, well known western Iowa banker, died last week at Red Oak and her remains were taken to Glenwood for burial.

The Cherokee County State at Cherokee has been reincorporated and has a capital stock of \$30,000. The incorporators include, H. H. Lamoreaux, J. W. Bryant, Walter Rasmus and others.

The directors of the First National at Corning have chosen former vice-president Ralph Newcomb as president of the institution to succeed F. N. Widner who recently sold his interest in the institution.

Mills B. Aldredge, paying teller at the Valley National, Des Moines, has resigned to be-

come auditor for the American Life Insurance Company of this city.

The Hudson Savings has increased its capital stock from \$15,000 to \$50,000.

Mrs. D. B. Miller, wife of the assistant cashier of the First National of Shenandoah, died recently at her home in that city. She was prominent in social circles and will be sadly missed.

The Linn County Savings of Cedar Rapids has increased its capital stock from \$20,000 to \$30,000.

Work has been started on the new building which the German Savings is erecting at Gilbertville.

F. J. Eighmey, president of the First National at Waterloo, gave a banquet to the employees of the institution and their ladies at the Ellis Hotel in that city as an evidence of appreciation. The affair was much enjoyed.

C. B. McKanna, a banker living at Burlington, Wis., has entered a herd of Jersey cows for the Iowa State Fair.

Articles of incorporation have been filed by the Farmers Savings at Langdon with a capital stock of \$10,000. Officers are E. D. Chamberlain, of Spencer, president; F. W. Bernhagen, of Spencer, vice-president; C. Atkinson, of Langdon, cashier.

O. A. Wilson, who purported to be a detective and displayed a big badge to prove it, forged a check on the Baxter State at Quarry for a small amount. Reports indicate that he made similar attempts at other towns but without appreciable success.

The Farmers State at Rudd has filed articles with the secretary of state. The capital stock is \$25,000. L. W. Reed is president; Ken E. Penny, cashier.

Sioux City

By JOHN J. BIDDISON

A new bank of the savings order is to be established in Morningside, the largest suburb of Sioux City, which includes within its confines nearly 8,000 people and has within the last few years built up a considerable trading center near Peters Park. A name for the new institution will be chosen at a meeting of stockholders to be held within a few days. The organization is now in only a tentative state, and the amount of capital to be invested is not determined. John Scott, Jr., for twenty years identified with the Northwestern National Bank and president for the period preceding the sale of his interests in it, is a promoter. Among the other stockholders will be Geo. E. Ward, C. J. Milligan, J. G. Shumaker, Frederick W. Lowr and E. C. Peters, all substantial business men and residents of the suburb. The bank will be established in a business block now being constructed. It will be the first in Morningside.

Brule National Enlarged

During the past week the Bank of Chamberlain, Chamberlain, S. D., was consolidated with the Brule National Bank of that place, and the Bank of Chamberlain will be liquidated. W. H. Pratt, Jr., was the principal figure in the consolidation, and will be president of the Brule National. A. G. Hill and E. E. Dye, formerly of the Bank of Chamberlain, will conduct the farm loan business formerly operated by the two banks, and will be directors in the Brule National, but will not be active in the management. The two assistant cashiers of the Bank of Chamberlain will serve in like capacities with the Brule National Bank, and Geo. F. Pilger, formerly assistant cashier of that bank, will be the new cashier. This gives the Brule Nation-

al nearly \$500,000 deposits, and makes it the largest bank in that country.

New South Dakota Bank

Articles of incorporation for the Farmers State Bank of Kranzburg, Codington county, South Dakota, have been filed with the secretary of state at Pierre, S. D. The bank is to have a capital stock of \$10,000. The incorporators are John A. Ries, of Kranzburg, and Henry M. Hanten, Chas. M. Kranz, Nick J. Steichen and F. J. Lamme, of Watertown, S. D.

Held Up for 50 Cents

While passing a dark corner on the West Side last Wednesday night, Ford Wheeler, of the First National, and another young man friend were held up at the point of a pistol that may or may not have been loaded, and the pair were ordered to "fork over" 50 cents apiece to a mysterious stranger behind a black mask. The robber went through their pockets, picked out the desired amount and sent them on their way, allowing them to retain their watches and surplus money and even a diamond stud. The victims decided that they were the victims of a joke and not of a real honest-to-goodness robbery, and did not report it to the police.

Among the Visiting Bankers

The following bankers were in Sioux City the past week: W. S. Short, president of the Northwestern State Bank, Orange City, Iowa; W. H. Pratt, Jr., president Brule National, Chamberlain, S. D.; Melvin Royer, cashier of the First National, Fonda, Iowa; Herman Fortin, cashier of the Farmers Bank, Salix, Iowa; John R. Welch, president First State Bank, Mapleton, Iowa; W. R. Cain, cashier Security National, Randolph, Nebraska; W. W. McElrath, president Merville (Iowa) State Bank; Carl Anderson, cashier First National, Vermilion, S. D.; A. D. Horton, cashier First National, Hawarden, Iowa; Chas. Shade, president First National, Rock Rapids, Iowa and the Iowa Bankers Association; A. R. Browne, cashier First National, Alta, Iowa; G. C. Fredell, assistant cashier Arthur (Ia.) Savings Bank; C. E. McKinney, president Sioux Falls (S. D.) National Bank; W. A. Schaetzel, president Union County Bank, Elk Point, S. D.; C. P. Mathewson, vice-president First National, Walthill, Nebraska.

PEOPLES STOCK YARDS STATE INCREASES CAPITAL

The stockholders of the Peoples Stock Yards State Bank, 47th Street and Ashland Avenue, Chicago, have voted to increase the capital of the bank from \$300,000 to \$500,000. The increase is to be paid in by August 15th, at which time the bank will have a capital of \$500,000 and surplus of \$50,000. This bank is one of the largest, most successful and progressive outside of the loop. Its affairs are under the constant supervision of a responsible board of directors, men of wealth and years of successful business experience in that neighborhood. It serves a very large territory south and west of the Stock Yards and numbers among its savings depositors thousands of the foreign born residents of that section. Its deposits of about \$3,600,000 are constantly increasing and it was for this reason and in further recognition of the rightful demand of depositors for maximum protection that the directors recommended this increase. The officers are: R. J. Schlesinger, president; Wm. J. Rathje, vice-president; H. C. Laycock, cashier; John A. Nylin, assistant cashier. Directors: Edward Morris, J. A. Spoor, Arthur Meeker, H. E. Otte, C. F. Claussen, C. M. MacFarlane, Frank J. Kohn, Julius Oppenheimer, Wm. J. Rathje, H. C. Laycock, R. J. Schlesinger.

Germany's Co-operative Credit System for Farmers

Second paper giving details of the famous Raiffeisen plan for furnishing cheap credit to land workers

Washington, August 7.—The investigation of the German co-operative credit systems which is being made by Ambassador Leishman at Berlin in connection with President Taft's effort to introduce co-operative credit into this country for the benefit of the American farmer is divided into three parts: an investigation of the Raiffeisen system of rural banks, of the Schulze-Delitzsch system of popular urban banks, and of the Landschaften and Ritterschaften mortgage bond associations, which are the medium of securing the farmer the money necessary for the permanent improvement of his land.

Germany is the birthplace of co-operative credit. Necessity was the mother of its invention. In the first half of the last century the German farmer found himself in the grasp of the money lender. The great transition in industrial conditions which was then going on throughout the world made it essential that the farmer be given some means of securing cheaper and quicker credit if he was to successfully meet competition in the commercial world. The excessive demands of the usurers, a heavy burden always on the farmer, became increasingly hard for him to bear, as the financial fabric of the commercial world progressed to its complex perfection and modern finance furnished to other classes an auxiliary machine, which placed the farmer under a great disadvantage. Improved systems of credit gave the merchant's dollar a multiplied strength. The farmer's dollar remained a dead weight—worth a dollar and no more. He possessed it and for what he needed he spent a part of it and kept the balance idle, dead. The merchant's dollar was being deposited and withdrawn in a dozen transactions in as many hours, doing the work of a dozen dollars.

As David Lubin, American delegate to the Institute of Agriculture at Rome, expressed it in a lecture before the Southern Commercial Congress, improved credit rendered the merchant's dollar dynamic. The farmer's dollar remained static. The farmer's dollar was electricity unharnessed—possessing the potential force, but not harnessed so that the owner could secure the benefit of that force. The merchant's dollar was electricity applied in the power house. The force which in the farmer's dollar was dormant was awakened by hitching it to a machine. If the farmer was to become the peer of the merchant in the commercial world he must have some such machine.

This problem became apparent to Frederick William Raiffeisen, Burgomaster of Weyerbusch in Germany. He set about planning a machine which would give the farmer quicker and cheaper credit. As the basis for his plan he accepted the principle that what the farmer was denied as an individual he could secure by co-operation. The individual farmer might be too small to command extended credit facilities at good terms, but a community of farmers combined would represent a strength with whom any lender would be glad to deal. As a constitution for such co-operative bodies he laid down three maxims:

First of all, the members of the combine must hold themselves liable to an unlimited extent for the transactions of the society; second, the society must operate only in a limited field, so that every member would be a neighbor of every other member. This reduced the chances of squandered loans; for, every member being responsible for what every other member borrowed from the so-

ciety and having his eye upon his expenditures, it was improbable that Herr Fritz would in silence contemplate any extravagant habits of his neighbor, Herr Heinrich. Lastly, that the management of the society's business be done at a minimum cost, most of the managers giving their services gratis. This would, of course, reduce the cost to the farmers and bring them cheaper credit.

Briefly stated, this is the simple basis of the Raiffeisen system of rural credit, which has spread practically to every country in Europe and which has done more than all else to release the European farmer from the grasp of the money lender and to enable him to make the dollar which he used to hoard in a sock an active help to him every hour of the day.

Fearing speculative control of the banks, and desiring to extend the benefits of his system to the poorest who might ask aid, Herr Raiffeisen refused to allow the banks to be established with a foundation capital secured by selling shares of capital stock. He argued that a rural bank which offered as security the holdings of every member of it could do business without any foundation capital. To secure a working capital for his banks he offered four sources of income: One, deposits on current account; two, savings deposits; three, loans from other banks or from private individuals; and, four, the reserve fund made of earnings of past years. Since the system was first inaugurated a law has been passed in Germany requiring all co-operative banks to have a foundation capital. To comply with the law the Raiffeisen banks sold shares of capital stock, but limited their value to a nominal amount, and, to prevent any control of the bank, restricted the right of individuals to hold large quantities of the stock.

The most remarkable fact which has developed with regard to these banks is that of the working capital which they use to finance the farmers and members, 88.8 per cent is furnished by the farmers themselves or by the local depositing public. This, at least, is the percentage of their share of the working capital supplied to all of these banks in Germany in 1909. In other words, the farmer has the money to finance his own business if only he can get the machine to place that money in active operation. Another remarkable fact, shown by the statistics of that year, is that these banks in Germany did their business with a capital which amounted to only 3.8 per cent of their total funds. Savings deposits form the great bulk of their working capital. These are accepted from members and non-members alike. Deposits on current account, however, are accepted from members only.

It can easily be imagined that the management of the Raiffeisen banks is a very simple matter. Generally, only one person is a salaried employee—the secretary, who does the actual executive work. The basis of management for the banks is the general meeting of the members. At these meetings there are selected a council of supervision and a committee of management. The meeting, the council, and the committee take care of all the ad-

ministrative work. This gives the banks a very economical administration. In 1909 the average cost of management in Germany was about \$153.12.

The banks finance the farmers through two sorts of loans—loans on current account and loans for fixed periods. The loans on current account form about a third of the total of loans, and there is at this time a strong tendency to extend the practice of loans on current account, as this is the most convenient form for the borrowing members and is similar to the loans of banks in cities to mercantile houses. Security is given for the loans in the form of mortgages, by the deposits of stock or other security, by finding sureties, or, sometimes, by mere promise. Money not employed in loans is used for deposit with the central co-operative banks, which will be described at another time, or in general banking operations with third parties.

The Raiffeisen banks were not organized for profit and, consequently, none of the profits is distributed in the form of dividends. Some of the money is expended in the furtherance of public utility projects, but for the most part the profits are carried over into the reserve funds, and the exceeding prosperity of the banks in past years, with the profits constantly swelling the reserve funds, is making the Raiffeisen banks a strong financial power at the back of the German farmer.

NATIONAL BANKS ORGANIZATION

Washington.—During the month of July, 1912, 25 applications to organize national banks were received. Of the applications pending, 18 were approved and four rejected. In the same month, 16 banks, with total capital of \$4,510,000, were authorized to begin business, of which number seven, with capital of \$210,000, had individual capital of less than \$50,000, and nine with capital of \$4,300,000, individual capital of \$50,000 or over.

On July 31, 1912, the total number of national banks organized was 10,235, of which 2,835 had discontinued business, leaving in existence 7,400 banks, with authorized capital of \$1,054,350,435, and circulation outstanding, secured by bonds, \$721,620,148. The total amount of national bank circulation outstanding was \$744,905,941, of which \$23,282,793 was covered by lawful money of a like amount deposited with the treasurer of the United States on account of liquidating and insolvent national banks and associations which had reduced their circulation.

NEW BANK EXAMINERS

Washington.—L. P. Hosmer of Montgomery, Ala., has been appointed a national bank examiner and will be assigned to the district now in charge of J. R. Stevens, comprising the state of Alabama, four banks in Mississippi and the New Orleans banks, which are examined jointly with another examiner. Mr. Stevens is to become clearing house examiner for New Orleans. Mr. Hosmer was for more than five years with the Selma National Bank, Selma, Ala., and for three years has been a state bank examiner in Alabama.

Roscoe J. C. Dorsey of Washington, D. C., also has been appointed a national bank examiner. Mr. Dorsey is at present the examiner of building and loan associations in the District of Columbia, acting under authority of the comptroller of the currency.

Indiana

Richmond.—A million dollar combination was formed here when the stockholders of the Miami Valley Securities Company decided to consolidate with the Columbus Securities Company of Indianapolis. When the final articles of the combine are filed the corporation will have a capital of over \$2,000,000, it is said. The Miami Valley company will be known as the Columbus Securities Company. The stock of the Miami company was taken share for share with the Columbus company and 7 per cent coupon dividend checks were given.

Indianapolis.—Harry L. Arnold, chief clerk in the bank department in the office of the auditor of state, has issued a call for a meeting of the state bank examiners to be held at the auditor's office August 9th. He said the purpose of the call was to have a general discussion of banking conditions throughout the state, and to consider suggestions as to how the examinations might be made more valuable to the banks. The examiners now employed are James C. Fletcher, of Knox; R. C. Houston, of Frankfort; Henry Hoch, of Rockport; W. M. Whitson, of Scottsburg; Arthur Craven, of this city), and W. C. Thomas, of Logansport.

EDMONTON NEWS

Edmonton, Alta.—Sir Montague Allan of Montreal, president of the Merchants Bank of Canada and vice-president of the Allan Royal Mail Line, announced in Edmonton that two of the branch banks to be established at nine points in western Canada will be opened in this city within thirty days, saying also that the company is building two steamships, each of 18,000 tons and capable of 18 knots an hour. They will be the largest liners entering the harbor at Montreal. One of the steamers will be named the Calgarian in honor of the city of Calgary, the other being called the Alsatian, in recognition of the French people who came to Canada from Alsace. Sir Montague, who was accompanied on the western trip by J. W. Blackwell, the vice-president of the bank, and Thomas Long of Toronto, a director, expressed himself as surprised and gratified over the development in central Alberta, more especially with the progress made in mixed farming, which, he said, is the only sound basis for building up successful and profitable agriculture.

Increase in Bank Clearings

Bank clearings in Edmonton for July amount to \$17,254,171, as compared with \$8,950,813 for the same month a year ago. The customs revenue was \$110,581, as against \$47,565; building permits, \$1,494,330, as against \$474,909; stamp sales, \$12,629, against \$9,455. The municipality reports that with the exception of the telephone system, which had a deficit of \$2,500, the civic utilities show substantial increases over June, 1911, as follows: Street railways, \$2,600; electric light branch, \$4,600; water works, \$1,300; markets, \$53. The civic assets are credited as follows in the various departments: Engineering, \$38,000; health, \$76,178; electric light, \$279,639; stores and works, \$267,387; police \$53,279; waterworks, net, \$888,798; power plant, \$1,229,886; street railway, \$1,120,000; market, \$88,900; fire department, \$204,172; gas, \$1,500; architects, \$8,437; parks, \$18,784.

Predicts Bumper Crops

T. M. Turnbull, manager of the Canadian Bank of Commerce; H. H. Richards, manager of the Northern Crown Bank, F. C. Murray, and George H. Gowan, manager of the Credit Foncier, were among those on the Edmonton Business Men's excursion to eighty-four cities,

towns and villages in central Alberta, July 22d to 29th. The party, which traveled in a special train, covered 2,022 miles on the tour, visiting the farming and milling districts, coal fields and railway construction camps. H. Milton Martin, president of the Edmonton Board of Trade, Alderman Gustave H. May and J. G. Tipton and J. E. Brown, manager of Revillon Wholesale, Ltd., were the spokesmen of the party. The purpose of the trip was to get acquainted with the business men in the various communities and look over the grain and general farming situation before the work of harvesting and shipping begins. James W. Shaw of Chicago, editor of the National Land and Irrigation Journal, who accompanied the party, says he never saw crops in better condition anywhere and he predicted that record yields will result. The wholesale merchants report increased activity in all lines, saying also that collections are good.

Capital Invested in Canada

Senator Rufus H. Pope who was in Edmonton recently returning to Ottawa from a tour of Western Canada, said in an interview here that the financiers of Great Britain will soon have to find an outlet for accumulated interest on capital invested in Canada, adding that he knows of no reason why the western provinces will suffer from any lack of money to promote legitimate enterprises. The impression made by Premier Borden in England, he continued, has had the most reassuring effect upon the loaning classes and its influence will be of a lasting character so far as Canada securities are concerned.

Alberta Interurban

Directors of the Alberta Interurban Railway Company, which holds a federal charter to build lines in various parts of this province, have approved plans for the first section of the system. C. S. Drummond, vice-president of the company, who is in Edmonton with K. J. C. Zinck, chief engineer, says that heavy oil engines will be used to transport freight and passengers in the rural districts. The line will be operated in conjunction with the three transcontinental systems traversing the province of Alberta.

\$500,000 Trust Company Organized

Five hundred thousand dollars is the capitalization of the British Trusts, Limited, organized in Edmonton and incorporated in

Alberta to do a general trust business. The stock is in 5,000 shares, 1,000 preference and 4,000 ordinary, each of a par value of \$100. The directors are: Edgerton W. Day, founder of Daysland; James K. Cornwall, member of the provincial parliament and president of the Northern Transportation Company; Charles W. Cross, attorney-general of Alberta; J. F. McMillan, Robert Tegler and P. E. Lessard, member of the provincial parliament, Edmonton; R. H. Pope, Ottawa, and Dr. H. G. Mac-Kid of Calgary.

Will Irrigate 400,000 Acres

W. J. Challis of London, Eng., where he is secretary of the Western Canada Land Company, the Southern Alberta Land Company and the Canadian Wheat Lands, Ltd., is in Edmonton from a visit to the southern part of the province, where 400,000 acres of land will be put under irrigation in a short time. He said in an interview that conditions in England, with vexatious labor problems and an over-supply of workmen, insure a permanent immigration to western Canada.

Big Future for Edmonton

F. Wright, a financier and underwriter of London, England, has come to Edmonton to invest several hundred thousand dollars in business sites. He believes the capital of Alberta will surpass all inland cities in western Canada in a few years, saying also that the future of the city as an important commercial and converting center is assured.

\$1,000,000 of English Capital

Real estate purchases have just been closed by George H. W. Pearson of Glasgow, Scotland, brother of Lord Cowdray, head of the Pearson Contracting Company, which will ultimately result in the investment of \$1,000,000 of English capital in Edmonton. Mr. Pearson is planning to erect a number of business buildings on his newly acquired holdings, which cost in the neighborhood of \$500,000.

LAKE COMMERCE INCREASES

Sault Ste. Marie, Mich.—The total freight movement through the canals at Sault Ste. Marie, Michigan and Ontario, for the month of July, 1912, was 10,781,304 short tons, against 8,545,819 tons for the corresponding period last year, or an increase of 26 per cent. The increase was due principally to the eastbound movement of iron ore and wheat.

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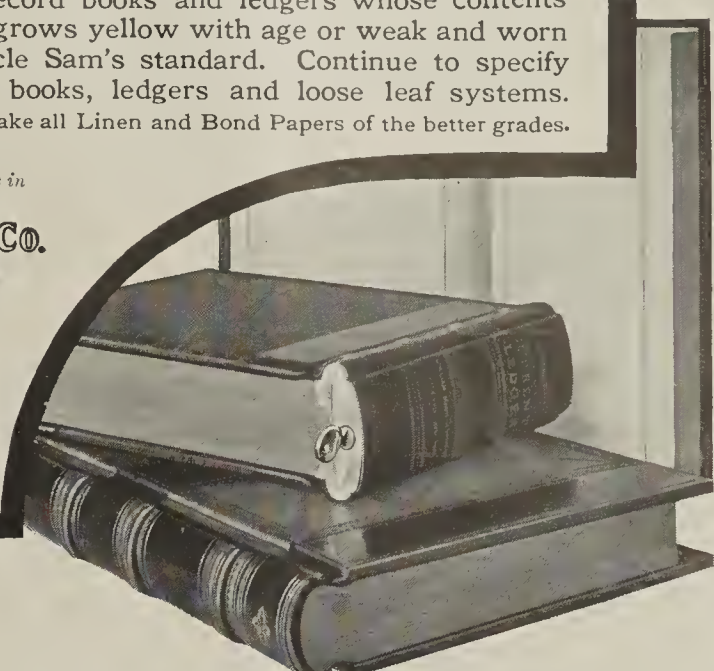
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Twenty thousand acres, first class general farming or fruit land. Abundance water, splendid sub-division, \$16.00 per acre. W. D. Pinkston, Rosslyn Hotel, Los Angeles, Cal.

FOR SALE—Miscellaneous

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9½-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. C. J. Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

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Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

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NORTHWEST

North Mankato, Minn.—The Peoples State Bank has been organized. John Struck of Conger, Minn., is interested.

Weldon, N. C.—The Weldon Bank and Trust Company has obtained a charter. W. H. S. Burguyn is president, and J. T. Gooch, cashier.

La Crescent, Minn.—The La Crescent State Bank has been organized with the following officers: J. W. Welch, president; Allan Cameron, vice-president, and L. L. Aikman, cashier.

St. Louis, Mo.—The West End Bank has been organized with \$25,000 capital. J. W. Harris, of the Harris Polk Hat Company, is president and E. L. White, formerly cashier of the First National Bank of Morrisonville, Ill., is cashier.

Chassell, Mich.—The Chassell State Bank has been organized with \$20,000 capital. M. A. Nadeau, E. A. Hamar, W. H. Funk and others are interested.

Montgomery, Mich.—A bank is being organized with a capital of \$20,000. F. W. Rowe is president and R. W. Rowe, cashier.

Gilman, Ia.—The Farmers State Bank has been organized with the following officers: E. D. Medhue, president; A. B. Crandon, vice-president, and P. J. Jacobson, cashier.

Bellmont, Ill.—The State Bank of Belmont is being organized with a capital of \$25,000. Among those interested are Geo. E. Gilkison, R. C. Gilkison and R. E. Doty.

WEST

Malalla, Ore.—The Malalla State Bank has been organized with L. W. Robbins, president; J. R. Cole, vice-president, and F. K. Havemann, cashier. The capital is \$15,000.

Altus, Okla.—The Citizens State Bank of Altus, with a capital of \$25,000, has been incorporated by F. B. Jones, J. W. Richardson and C. W. Hoggsett.

Deming, N. M.—The First State Bank is being organized with a capital of \$30,000.

Boise, Ida.—James Bussell and W. R. McMillan are organizing a bank here.

SOUTH

Clarkesville, Tenn.—The Security Trust Company, with a capital of \$25,000, has been incorporated by George Fort, Oscar Beard, Y. S. Fuqua, J. W. Edwards and G. P. Hana-han.

Crockett, Tenn.—The Farmers and Merchants Bank has been incorporated with a capital of \$10,000, by B. F. Sudberry, A. J. Goodwin, J. W. Sudberry, W. H. Sudberry and R. W. Riggins.

Big Rock, Tenn.—The Big Rock Bank is organizing with \$10,000 capital. The incorporators are O. E. Hysmith, A. T. Ezell, W. T. Green, J. E. Ezell and W. E. Green.

Ocean Springs, Miss.—The Farmers and Merchants Bank has received a charter. C. E. Pabst is president and C. R. Glascock, cashier.

Daytona Beach, Fla.—The East Coast State Bank is to be established here. Cary D. Landis and B. Fish, attorneys at De Land, are interested.

Lakeland, Fla.—The Peoples Bank is being organized with a capital of \$50,000. H. D. Bassett is to be president and Mr. Kibler of Dunnellon, cashier.

Ellinger, Texas.—The First State Bank is being organized with a capital of \$10,000. The directors are: Leo. Frede, president; R. H.

Beyer, vice-president; John Chupik, cashier; C. J. H. Meyer, H. C. Schumacker and C. W. Ellinger.

Calhoun, Ga.—E. J. McMichael, assistant cashier of the Jackson National Bank at Jackson, Ga., has resigned to become cashier of the new bank being organized here.

Millwood, Ga.—A bank in proposed. L. J. Cooper, of the First National Bank of Waycross, and N. P. Jenrette, of the Exchange Bank, Waycross, are interested.

EAST

Walnut Cove, N. C.—J. S. Taylor is president, C. Bodenheimer, vice-president, Wm. Slate, cashier, of the Farmers Union Loan and Trust Company just established here.

Mt. Croghan, S. C.—The Bank of Mt. Croghan has been organized with a capital of \$10,000. The officers are: R. E. Rivers, president; W. A. Rivers, vice-president; and K. F. Taylor, secretary and treasurer.

Pacolet, S. C.—The Bank of Pacolet, with a capital of \$10,000, has been incorporated by T. E. Cooper, J. H. Durham, E. C. Botgea and C. B. Dawsey.

Brunson, S. C.—The Merchants and Farmers Bank has been organized.

Leonardtown, Md.—The Leonardtown Bank of the Eastern Shore Trust Company is reported organized with the following officers: Charles V. Hayden, president, and James S. Matthews, vice-president.

Rock Creek, O.—The Citizens Banking Company, with a capital of \$25,000, is being organized by T. W. Kellogg, J. B. Graham, C. W. Harrington, C. W. Bailey, C. H. French, C. R. Hilles and B. R. Seymour.

Allentown, Pa.—The Penn Counties Trust Company is being organized with a capital of \$1,000,000.

PRIVATE BANK LEGISLATION

"Though there are many private banks as safe as any bank with state supervision, unless their affairs are open to inspection, there is no assurance that they will not be insolvent some time." This opinion was expressed by State Superintendent of Banks F. E. Baxter of Ohio in favoring the proposed amendment of the constitutional convention which, if passed, would prevent the private banking institutions not under state inspection from using the words "bank, banker or banking" in connection with their business.

Mr. Baxter's remarks came in answer to the assertion that there had been so few failures among private banks in the last 50 years that the amendment was unnecessary. He admitted that the passing of the amendment would work a hardship on well-conducted private banks, but said that the people on the other hand would be protected from unsafe institutions.

About half of the 225 private banks in the state are already in sympathy with the state department and send in reports of their financial condition. The department of banks, according to Mr. Baxter, will make no fight for or against the amendment. At a meeting of representatives of private banks of the state in Columbus recently it was decided to take steps toward the carrying out of an active organized campaign against the constitutional amendment. It was declared that the amendment would be discriminatory without protecting the interests of the public.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

"ROOSEVELT to get what he wants at this convention," says the Daily News. At the other one he got what was coming to him.

THE average income of many a married man, says the Chicago News, is about 2 A. M.; makes the high cost of living harder to bear.

"I AM going to vote for Taft," said a prominent Chicago republican the other day, "unless it seems to be necessary to vote for Wilson to defeat Roosevelt." He isn't the only one either.

AGRICULTURE is still the most important industry in the country and will continue to be so till the end of time. It is therefore encouraging to note the changes which are operating for the betterment of the farmer's life.

THERE is much less subsidizing of vessels by foreign governments than our subsidy shouters represent, and in most of the subsidy projects the interests of shippers and of the government are protected as they never are in any subsidy bill that has been pressed in our congress for many years.

IT IS right that bank notes should be smaller—they buy less than they did.

FRANK D. BRUNDAGE, New York, writing from Marquette, says: "Copper and iron mining business booming with plenty of work for all who want it." Reads like good times!

WHAT the Illinois delegation to the Minneapolis conference lacked in numbers, they made up in weight. As samples there were George M. Reynolds and J. F. Thompson of the Merchants Loan, each weighing about two-fifty, and B. F. Harris, the "bull-mooser," who had been hobnobbing with T. R. himself. No, Farmer Joe, the Illinois delegation was not "lost."

TALK about T. R. having it all his own way at the Coliseum; he wasn't in it for a minute with Geo. B. Caldwell at the Waldorf, where he bull-moosed a new Investment Bankers Association, as a reminder that the Briarcliff steam roller didn't hurt a little bit.

PROF. EDWIN G. COOLEY was one of the surprises of the Minneapolis conference. He disagreed slightly with many of the speakers, but based his remarks upon a two-years' investigation of the industrial schools of Europe made at the invitation of the Chicago Commercial Club.

PROF. COOLEY believes that continuation schools like they have in Germany afford the true solution of the American educational question. He believes that the fundamental defect in the American public school is that it drops the boy on an average at fourteen years of age.

PRESIDENT HOWARD ELLIOTT of the Northern Pacific was one of the most interesting and convincing speakers brought forth by the conference program. He made it pretty plain that in his opinion farms are paying better income on the investment than railroads are at the present time and under present conditions.

F. M. JORDAN of Sedalia, Mo., made a number of short talks at the Minneapolis conference, and probably the best one which he made was in his earnest invitation to bring the meeting next year to Kansas City. He backed up his remarks by filing formal invitations from the clearing houses of both Kansas City, Kan., and Kansas City, Mo.

DR. EDWARD A. RUMELY, one of the leading manufacturers of the United States and generally alluded to as one of America's best educated men, made a wonderful hit by describing the methods and attainments of his new school for boys on a seven-hundred-acre farm at Interlocken, Ind.

DR. RUMELY is putting in force ideas which he acquired while undergoing his own educational processes in Germany.

JOE HIRSCH, chairman of the agricultural committee of the Texas Bankers Association, and hailing from Corpus Christi, made one of the individual hits of the conference. He made a humorous address at the banquet given at the Lafayette Club and was very loudly applauded.

ALMOST at the close of the second day's conference in St. Paul, when Chairman Chapman was using the gavel on nearly every speaker at the end of about three minutes, Mr. Hirsch was called upon to speak for Texas. He stepped quickly forward to the speaker's desk, and just as quickly picked up the chairman's gavel and put it in his inside pocket. He began by saying, "Now, if some kind gentleman will please lock the door, I can finish in about fifteen minutes," and he took up all of the fifteen minutes which he filled very interestingly.

PRESIDENT ANDREW M. SOULE of the Georgia School of Agriculture was another of the hits of the conference, and the agricultural committee of the A. B. A. decided promptly to try to get him on the program at Detroit. On this list of preferred speakers were placed the names of Edwin G. Cooley of Chicago, and George D. Vincent, president of the University of Minnesota. If the agricultural committee can have its way these three gentlemen will speak at the session which is devoted to agricultural topics.

ILLINOIS, which at first seemed likely to be in default so far as a delegation was concerned, showed up finally with a good list of heavyweights. Among those present from Illinois were George M. Reynolds of the Continental and Commercial National; J. Fred Thompson of the Merchants Loan and Trust; B. F. Harris of Champaign; Captain C. C. Craig of Galesburg; C. R. Pendarvis of Media and S. E. Bradt of DeKalb.

IOWA, which has a habit of counting everybody an Iowan who was born in or ever lived in the state, figured up not less than twenty persons present. Of course they included such men as Messrs. Reynolds, Chapman, Thompson and Prof. Cooley, who at one time was a school superintendent in that state.

ON the regular list, however, Iowa had a splendid delegation of strong men, headed by Chairman Charles H. McNider of Mason City and seconded by Ex-president E. J. Curtin of Decorah and Arthur Reynolds of Des Moines. Secretary Hall was present, and as usual was quite active in doing everything he could to help along the movement of the proceedings.

DEAN WOODS of the Minnesota Agricultural College was the only speaker openly to tackle the labor problem, so far as it applies to farm effort. He handled his subject cleanly and effectively, as he does invariably. At the conclusion of his talk he took up the subject of rural health conditions and methods for stamping out epidemics among the live stock.

PRESIDENT ELLIOTT of the Northern Pacific told the bankers that statistics gathered by the railroads show that it will require every freight car in the United States to move the grain crop this year, and that if both shippers and consignees would load and unload the cars promptly it would extend their

usefulness on his own railroad not less than 25,000 car-days.

BANKERS who were present in Minneapolis took a great deal of interest in two particular farms out on Minnetonka Lake. One belongs to George F. Orde of the First National and the other to Joseph Chapman, Jr., of the Northwestern National. A great many funny and interesting stories were told about the efforts of these two gentlemen to become prosperous farmers.

MINNETONKA LAKE has a coastline of three hundred miles. A few years ago land out that way was selling for \$100 an acre; now it is worth from \$1,000 to \$1,500. Practically every foot of shoreline for the three hundred miles is taken up for residence purposes or for actual farming.

THE shoreline at one time contained a great number of summer hotels. These have disappeared almost entirely. Two beautiful country clubs have locations on the lake and are connected with Minneapolis and St. Paul, twenty-five miles away, by a splendid boulevard system. The two cities have taken over for park purposes the chain of lakes and surrounding hills covering a part of this distance, making Minneapolis and St. Paul two of the most beautiful and attractive cities for residence purposes in the United States.

CASHIER.

John Jay Abbott

John Jay Abbott, vice-president of the Continental and Commercial Trust and Savings Bank, recently has returned from a trip to Maine, which he describes as a very beautiful state and the finest place in the world to visit in summer.

GOVERNOR WILSON'S TALK PLEASES

"After dullness and stagnation in the stock market the early part of the week, the effect of the excellent crop news which caused the sharp decline in the grain markets made itself felt, and it only needed the utterances of the democratic candidate for president to start a general upward movement in prices. While the market retained to a great extent its professional tone, it showed some signs of broadening out, and the rise was quite general throughout the list" is the top paragraph in the current Ware & Leland market letter. Sentiment seems to be drifting toward the New Jersey man.

FRANK A. VANDERLIP BACK

Frank A. Vanderlip, president of the National City Bank, New York, returned Saturday last on the Lusitania after an absence abroad of about a month. He said that what interested him chiefly on the other side was the evidence of business activity in England. He declared that England was doing more business to-day in all branches than it has done for a great many years. Activity was particularly marked in the weaving industry. The shipbuilding industry was also working at capacity and turning out more tonnage, Mr. Vanderlip said, than all the other shipbuilding countries.

Concerning the labor situation in England, Mr. Vanderlip said that industries were not affected, and that in fact there was less labor unrest at the present time than there has been since records have been kept. There is very little market for American securities abroad, Mr. Vanderlip said. He considered that this situation was best explained by the fact that the European countries are enjoying a period of great business activity and that financiers are not anxious, therefore, to turn their attention to foreign securities.



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CAPITAL AND SURPLUS
\$9,000,000

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Surplus and Profits 6,500,000.00

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The Girard National Bank OF PHILADELPHIA

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Surplus and Profits 4,716,000
Deposits - - - 46,275,000

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

AUGUST 17, 1912

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10 CENTS A COPY

Bank Supervision in Illinois

Editor CHICAGO BANKER: I note a loud discussion in Illinois over the question of state and private bank regulation. In the light of history the question is not a debatable one, because history conclusively proves the great value to the people, as a whole, under sound and conservative laws regulating banks, together with state supervision, examinations, etc. Even the conservative banker is bettered and prosperity steadied by weeding out insolvents in the incipient stage, instead of allowing them to dissipate good assets year after year in plunging methods after they are insolvent, as is usually the case in state or private banks not under proper regulation.

As proof of this statement, permit me to quote from an address of mine on this subject delivered before the American Bankers Association in New York City in 1904. In a statement as to claims filed, percentage of dividends paid to depositors and amounts still due, for a period of about forty years, Ex-Comptroller Ridgely made this pungent statement. "From the last date to which complete figures are available, it will be seen that while only 6½ per cent of the number of national banks in existence failed during this time, 17 6-10 per cent of the other banks in existence failed. And while the national banks paid to their creditors 75 per cent in dividends, the state and other banks paid only 45 per cent." The record of the private banks was the lowest of all. Forty years is a fair criterion on which to base facts, and these facts show 5 to 1 in favor of good regulation.

Again. I was a member of the committee of bankers to draw a bill, some twelve years ago, to regulate and supervise banking in Wisconsin. This bill allowed only state regulated banks along with national banks to do business in Wisconsin. Private banking was barred. The politicians and private bankers killed the bill under the referendum to the people, the slaughterers calling it "a bankers' bill." Later it was resurrected and passed, and for nine years has been upon the statute books of Wisconsin. What is the result? Not a state bank which was under this law has closed its doors that has not paid 100 cents on the \$1 to every depositor. It has been erroneously stated that \$55,000 was lost through one state bank failure, but that was closed by the commissioner on examination when the law went into effect; therefore, to date the record is a clear one.

After giving this subject a world-wide study, I challenge any man to disprove the statement, that as far as losses to depositors are concerned in proportion to business done, the national banking system—with its banks operating under the beneficent national bank act—is the safest the world ever has known. Further, that whereas, outside of a few old eastern states, many states of the Union, fifty years ago, were practically without good laws regulating banking, the result being that wild-cat banking brought great distress to the masses. But as state after state has adopted good laws

Two of the Incoming State Association Presidents



W. M. VAN DEUSEN
NEWARK
President New Jersey Bankers Association



FRANK A. DRURY
WORCESTER
President Massachusetts Bankers Association

regulating the business (to-day nearly all the states have good laws), banking and business generally are becoming more stable under the benign influence of these better laws. There are a few states still in the slough of despond. The great state of Illinois, to her shame, is one of them.

Is it not time to throw off the yoke and pass good laws to stop wild-cat banking in Illinois? It is the clear duty of the state to compel all banks to put up ample capital, according to location, as a guaranty fund, before the doors are opened to take the funds of innocent depositors; to compel limitations on loans to any one person or firm; to compel the accumulation of a surplus fund out of earnings, and all losses charged off before dividends are made; also to compel examinations to see that the laws are enforced. Good banks will court such regulations and the plunger ought to have the brakes put on him in the interest of public safety. If we limit bank failures, we ameliorate panic conditions. The benefits to the public at large are too transparent to bandy with pirates. I have for years wondered when the great state of Illinois would throw off the yoke and advance with her sister states in the onward march toward greater stability.

B. F. Harris, president of the Illinois Bankers Association and the forces behind him, are doing a beneficent work in their efforts to bring much needed results.

Are these citations, drawn from the lamps of experience, not conclusive as to the needs in Illinois? If they are, then stand by your guns till the victory is won. Get into good company. No law absolutely can prevent an

occasional failure, because it is human to err, but we can materially better former conditions.

Andrew J. Frame.

Waukesha, August 12, 1912.

BYRON L. SMITH ON MONEY SITUATION

Byron L. Smith, president of the Northern Trust Company, Chicago, says that money is getting closer than it has been. He anticipates a good healthy demand during the fall. The maximum rate prevailing is about 5 per cent.

EDENS TO SPEAK AT COMMERCIAL CONGRESS

William G. Edens, president of the Illinois Highway Improvement Association, will speak on "Co-operation, the Key to Success in Road Improvement" at the Trans-Mississippi Commercial Congress, which will meet in Salt Lake City August 27th to 30th. Mr. Edens, who at present is in Denver attending the twenty-seventh biennial session of the Supreme Lodge Knights of Pythias, says that the state-built roads in Colorado are the best in the world.

TWO CHICAGO BANKS TO CONSOLIDATE

It is expected that the West Englewood State Bank and the Ashland State Bank soon will consolidate. The capital stock of each bank is \$200,000. The name of the new institution will be the Englewood-Ashland State Bank. John Bain will be president, Michael Maisel, vice-president and Edward C. Barry, cashier. The assets will amount to approximately two millions and the deposits to one million.

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Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

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Mainly About Banks and Bankers

MISSOURI bankers will leave for Detroit this year over the Wabash, starting from St. Louis at 9 p. m. on Saturday, September 7th. They will arrive in Detroit at 9 p. m. on Sunday. Applications for reservations should be made to Secretary W. F. Keyser at Sedalia.

KANSAS CITY and Kansas bankers will start from Kansas City over the Santa Fe at 7:15 p. m. Saturday, September 7th, and will arrive in Detroit at 1:30 p. m. on Sunday. Those wishing to use this train should apply to Secretary W. W. Bowman at Topeka.

FROM either of these secretaries folders and full information may be had concerning the itinerary of the two trains. Bankers of the entire Southwest are invited to make use of them and will be welcomed by the bankers of Kansas and Missouri.

A SPECIAL train which will start from Los Angeles, Cal., and pick up the Northwestern bankers in Washington, Oregon, Idaho, Montana, etc., has changed its itinerary so that it will arrive in St. Paul at 1:40 p. m. on Saturday, September 7th. Many of the St. Paul and Minneapolis bankers will join the coast bankers and will arrive in Chicago on Sunday morning in plenty of time to get aboard the big Chicago train de luxe for Detroit.

THE "banquet-on-wheels" idea for the special train from Chicago to Detroit has met with great favor among the bankers. Eighty table reservations have been made already, and the first seating naturally will be limited to ninety seats. So far as possible, tables are being made up by two's and four's to accommodate those who are going. Bankers in making reservations will save much correspondence by telling whether or not they will be accompanied by members of their families, and also with whom they prefer to be seated.

THE Pullman cars to be used are open Pullmans, and three seats will be sold to a section, to leave as much room as possible for hand baggage and other conveniences of travel. An attempt will be made to put on all of the cars necessary to haul everybody on one train.

THE train will leave at 10 a. m. over the Michigan Central and a "banquet on wheels" will be served in three diners coupled up in the center of the train, service beginning at twelve o'clock. Not everyone can be seated at the first table. Table reservations will be given out in the order of application. Those writing in for table seats will please be specific and give the names of all those for whom the seats are wanted. This will help to avoid duplication and will facilitate the making up of the train directory, which will be printed as a part of the souvenirs of the trip.

SUPERINTENDENT SWEET of the dining car service of the New York Central Lines has given this "banquet on wheels" his personal attention, and has constructed a bill of fare which is a work of art along culinary lines.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

RESERVATIONS are being made for bankers all the way from New Orleans to California; up the coast all through the Northwest. Those wishing to go on this train can secure reservations by addressing any member of the transportation committee, or any bank in the city of Chicago. The earlier reservations are made, the easier it will be to provide adequate and comfortable accommodation for everybody concerned.

MISSISSIPPI VALLEY TRUST has sent out the August issue of its house organ, "Service." It is illustrated cleverly and contains many valuable articles relating to trust company business. It has one very interesting article on an address made by President Breckenridge Jones before the Missouri Bankers Association twenty years ago. Many of the prophecies made by Mr. Jones have been more than fulfilled.

NATIONAL BANK OF POTEAU, (Okla.) has begun the publication of a neat paper entitled "National Bank News." It deals largely in personals relating to the customers of the bank, and ought to be popular on that account. A number of articles instructing depositors in the use of checks and in the methods of the savings bank side of the institution are contained in its pages.

TWENTY-TWO of Chicago's big railroads are closing their freight stations at 1:00 p. m. all of the Saturday afternoons during August.

DURING the eleventh annual state convention of the Colorado bankers at Pueblo on August 19th and 20th, open house will be kept

by the First National of that city. All bankers are invited.

SECRETARY WILLIAM B. HARRISON of the Oklahoma Bankers Association has been making an eastern and Canadian tour as a part of his vacation. During the stop-over in Chicago he was not able to permit himself to say that he saw anything on his travels which comes up to Oklahoma in the way of promises for prosperity and good times.

SAVINGS UNION BANK AND TRUST COMPANY of San Francisco on its fiftieth anniversary has sent out a beautiful booklet commemorative of its half century of existence. The bank was organized in 1862 when San Francisco was a very small city, and many of its principal streets unpaved. To-day it has assets of over thirty-six millions, and occupies one of the handsomest bank buildings in the United States.

THE book contains a great many fine engravings illustrating the modern appliances of the new building, and has portraits of all the former presidents of the institution. The officers at the present time are John S. Drum, president; C. D. Greenwood, C. O. G. Miller and R. M. Welch are vice-presidents; R. B. Burmeister is cashier.

GUARANTY TRUST COMPANY of New York has issued a second edition of its booklet on "Short-Term Securities." This is one of the most valuable documents of its size ever issued by a bank, and can be had for the asking. It classifies securities into various headings, gives the name of the issue, rate, date due, form and describes the security in detail. In reality, it is a whole credit department in a very small space, so far as short-term securities are concerned.

INVESTOR'S MAGAZINE, published by S. W. Straus & Co of Chicago, in its current issue contains an article by E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, on "True Currency Reform." This is the third of a series of articles specially written for this magazine.

D. ARTHUR BOWMAN & CO. of St. Louis are sending out a mid-year investment bulletin which contains a very attractive list of bonds yielding good returns to the investor. Bowman & Co. will forward copies upon request.

HARRIS, WINTHROP & CO. of 15 Wall Street, New York, have issued a folder on "The Common Sense of 5 Per Cent Bonds." Every bond-issuing authority should have a copy of this before fixing the rate.

WITNESS the Chicago Tribune and William Lorimer joined in an effort to defeat Governor Deneen. Politics make strange bedfellows!

FUNK is the Tribune pretext but Lorimer is out in the open.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
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CHICAGO

RALPH N. BALLOU, Cashier
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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
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NATIONAL
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UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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**ARE YOU MERELY "SATISFIED"—
With Your Chicago Correspondent?**

**OUR AIM IS TO BOTH PLEASE
AND SATISFY OUR CUSTOMERS!**

Correspondence as to terms cordially invited

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Banking Conditions in Wyoming

President Henry B. Henderson in his annual address at the Cheyenne convention tells of the great progress made in his state. Agricultural progress greatest of all. Oil industry growing

The address of the president of the association generally is regarded as a review of business during the period of time covered by his term of office and, in a measure, is along certain stereotyped lines. Pardon me if I depart somewhat from the usual form. I am hopeful that this convention will, as its predecessors have done, take up the discussion of the line of progress and from its deliberations there may come to the state and her people a greater degree of happiness and prosperity than we have ever experienced before. I do not purpose to cast a backward glance except wherein I can point to something that indicates progress, and in this you will pardon my inability to notice all the things that have appealed to you as moving toward an advance in our position. It seems but proper that the association should be congratulated upon its strong membership, the number of persons who have honored us with their attendance upon this meeting, the co-operation of members in the work of its officers and legislative committee. We have progressed in the profession of banking. We know more about the business and our customer's business than ever before. This is progress in the right direction. By reason of close application to the conservative rules of business, we have not only become better equipped to handle the business entrusted to our care but we have become better stockmen, better farmers and better citizens.

There has been progress in our state in the development of all the resources in which we abound. Our greatest growth has been in the science of tillage of the soil. The hand of man has wrought wonders in the subduing of the land and from every section of the state there has been developed the industry of agriculture. Possibly we have not taken into account this great boon to our prosperity. Have we realized its value? Do we really appreciate the wonderfully productive powers of this God given land? A state with less productive lands could not recuperate from the blight of the drought and the storms of the winter. We could not rise from these conditions were it not for the courage of a brave and heroic people who have applied the hand of industry to the productive lands of our state.

There are those of us who recall when a few tons of native hay was the chief agricultural crop, but to-day the splendid fields of cultivated hay, grain and vegetables represent a wealth of many million dollars. Yes, the annual return from this source exceeds the annual receipts from the stock industry which now takes a secondary place. And the possibilities have not been reached. With a flourishing agriculture coupled with prudent stock raising and the yet large area of free range there is promise of progress not heretofore attained. We have developed a humane nature. Our hearts have ached because of the suffering to the cattle, sheep and horses, and the great loss to the owners that severe storms inflict. There have been losses, not the result of neglect to provide food, but because of the blizzard, which, while temporary, is an element against which no stockman can successfully contend unless his stock is properly sheltered. Necessity has and is doing much for

the stability and promotion of the stock industry of our state. There is more grain grown, more hay harvested, more ground being cultivated, more water being spread than ever before. All this is progress. No difference how sad or unfortunate the experience it is the evolution of things, and from this time forward the banker in a measure becomes a member of the directorate of the stockgrower and farmer. He advises the stockman to provide shelter, feed and care for his animals, to endeavor to get net returns out of fifty per cent of the number of head heretofore owned and ranged on the open prairie equal to that of the present time. This is real progress. The prediction is made that we will in five years have greater numbers of cattle, horses, sheep and swine than we have ever had and net results will be greatly augmented over the present system; but some one else will wish to talk upon this subject, so I'll not exhaust it.

After many years of prospecting, there has come the production of oil in large quantities. A new industry has developed since we last met and it promises to be state-wide and eclipse the great output of Pennsylvania. When this convention next assembles in this city we will point with as much pride as Casper now does, to the large refineries and the great producing oil wells, possibly within the city limits. There are other resources of the state yet to be developed. Strange as it may seem, each period of development has been brought in just when we need a certain product to add to our prosperity.

There will soon come the manufacturing period, and the wool of the sheep will be commercialized in our own state, the slaughtering of animals for food supply will be at our railroad centers, the manufacture of asbestos cloth will necessitate the erection of crematories by the laundries, the puddling furnaces and steel mills will require men who will be consumers of our food supplies, and in every direction we may cast the present or the prophetic eye there is promise of progress.

Some of us have thought our development a slow process, but it is really phenomenal, physical conditions considered. Now that the wheels of progress are in motion we may expect them to revolve more rapidly, and our wildest visions of the possibilities within this state will fail to have reached what will be actually realized. In legislation we have progressed. Your legislative committee seconded by your efforts and influence was remarkably successful in securing desirable laws and stifling legislation that would have been a menace to the conservative, constructive growth of business in the state. The governor approved all the bills recommended by the committee and passed by the legislature. Among

which were the bill providing for "Deposits in Trust," "Deposits in Two Names," "Derogatory Statements Against Banks," "Repeal of Taxation of Mortgages," "Renewal of Chattel Mortgages," and the bill prescribing a "Uniform Chattel Mortgage" and providing for its recording and the fee therefor.

The bank was not and could not be taxed upon its mortgages, but the individual money lender could. It was nothing to the bank to have such legislation repealed, but in the interests of the state, and in justice to the borrower the measure was pressed through the legislative body and approved by his excellency. A vicious measure was passed by the legislature, but through the combined efforts of the association members we were able to show the governor why it should be vetoed and he acted accordingly. This is progress in its true sense.

In some manner the law relating to taxation of bank stocks was overlooked by your committee. Neither the governor nor his advisors noticed its undesirability. So we have a tax regulation that is unjust, unwise and unfair, and for which there is a popular demand for repeal. The banker will play fair and why some enthusiast member of the legislature should do him and the business he represents such an injustice cannot be satisfactorily explained. This law is not referred to for the purpose of denoting progress but for the purpose of fixing in your mind the necessity of eternal vigilance in legislative affairs. Possibly we may rise to a keener appreciation of our duty relative to all proposed legislation, the levying of taxes and the wise, prudent and economic expenditure of the large sums we contribute annually to the public treasuries.

We have had no bank failures, another indication of progress; the banker is growing more conservative, the old order of things is at an end.

In numbers of banks, their deposits, and aggregate resources, we have had a steady, healthy business growth. Whether the bank be large or small it is the one institution in the community which centralizes all business and gives to the public a clearing house where hay, grain and stock is finally evolved into dollars and cents.

This association at its convention held in 1910 passed two resolutions which at that time seemed to anticipate future needs, one of which has become nation-wide in importance. I refer to our recommendations relating to the sale of stocks and bonds issued by corporations upon proposed development of irrigation and mining enterprises. The other recommendation related to undesirable live stock loans. These resolutions have given us position and class among banking associations.

What wise policy will we initiate at this meeting? It is for you to determine.

I promised to speak only of progress, but if I seem to digress a moment you will see I am greatly interested in the things that make for a greater state. This I can only refer to in a negative way. We spend more than half a million dollars per annum for educational purposes. What are we getting out of it? What are we educating our boys and girls for? 1000

The Fourth National Bank Of the City of New York

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President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
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Asst. Cashier
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Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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Vice-Pres.
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V. Pres. & Treas.
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Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

many schools in the state teach agriculture, horticulture, manual training, the trades of the artisan, the breeding and rearing of live stock, domestic science? Yes, we have these branches at the university, but how many high school or eighth grade students ever see the inside of a college or university? If we are going to make of this a great state we must begin right, educate the children right, not follow the old school curriculum of fifty or one hundred years ago, but progress. Better teach the child something that will enable him to get the greatest results from physical effort, than to teach him the writings of Virgil, Homer and others, and this, too, will be progress.

Our efficient secretary has performed a splendid service and from him we will learn much of the detail work of the association.

We are fortunate in having speakers who are specialists and they will give us talks that will enable us to grasp new ideas, and when we again take up the active duties of our respective banks it will be with the purpose of becoming a greater factor in the progress and prosperity of the state.

RECEIVER FOR MORTGAGE COMPANY MAKES REPORT

Francis P. Pace, receiver for the defunct Mortgage Company of America, formerly known as Bankers Guaranty Trust Company, and Union Trust and Fidelity Company, reports that there is outstanding in capital stock \$405,830, of which \$196,500 is preferred and \$209,330 common. It is his opinion that other liabilities of the company will not exceed \$5,000. To take care of this the company holds notes given for capital stock in the amount of \$224,443; real estate mortgage notes, \$24,400; chattel mortgage notes, \$7,842.25. Miscellaneous items amount to about \$12,000 and accounts receivable to approximately \$4,000. The deficit appears to be from \$110,000 to \$120,000, which, from an examination of the books, seems to have been used in office expenses, including agents' commissions on sales of stock. The receiver declines to make any positive statement as to the value of the assets, as he thinks it probable that the payment of some of the notes will be contested.

NEW BANK FOR CENTRALIA

The Centralia (Ill.) Trust and Savings Bank has been organized with a capital stock of \$50,000.

Portsmouth, Ia., August 13.—The State Bank of this place was robbed to-day of \$1,300. The robbers overlooked a much larger sum.

INVESTMENT BANKERS ORGANIZE

The Investment Bankers Association of America was formed in New York on August 8th. A constitution and by-laws were adopted, after which officers and a board of governors were elected as follows: George B. Caldwell, vice-president of the Continental and Commercial Trust, Chicago, president; A. B. Leach of A. B. Leach & Co., New York, first vice-president; Frank W. Rollins, president E. H. Rollins & Sons, Boston, second vice-president; William R. Compton, president William R. Compton Company, St. Louis, third vice-president; Lewis B. Franklin, vice-president Guaranty Trust Company, New York, fourth vice-president; Warren S. Hayden of Hayden, Miller & Co., Cleveland, fifth vice-president; Frederick R. Fenton, sales manager, Devitt, Tremble & Co., Chicago, secretary, and C. T. Williams, manager of investments, Fidelity Trust Company, Baltimore, treasurer. The board of governors elected is as follows: George Garr Henry, partner, William Salmon & Co.; Erastus W. Bulkley, member of firm of Spencer, Trask & Co.; Harold B. Clark, member of firm of White, Weld & Co., and Allen G. Hoyt, member of firm of N. W. Halsey & Co., all of New York; Charles H. Schweppe, manager Chicago office of Lee, Higginson & Co.; W. M. L. Fiske, member of firm of Wm.

A. Read & Co., and C. W. McNear of Woodin, McNear and Moore, all of Chicago; George W. Kendrick III., member of firm of E. W. Clark & Co., and George K. Reilly, Montgomery, Clothier & Tyler, both of Philadelphia; J. Herndon Smith, A. G. Edwards & Sons, and Harold Kauffman, member of firm of G. H. Walker & Co., both of St. Louis; S. W. Webb, vice-president Old Colony Trust Company, and Stedman Buttrick, members of firm of Estabrook & Co., both of Boston; Charles F. Otis of Otis & Co., Cleveland; Henry L. Duer, Whalen, Duer and Lanahan, Baltimore; R. L. Scoville, Ussing, Scoville & Co., Pittsburgh; Charles R. Dunn, vice-president Union Trust Company, Detroit; Sam B. Wakefield, of S. B. Wakefield & Co., San Francisco; Harry E. Weil, of Weil, Roth & Co., Cincinnati; Eugene M. Stevens, of Stevens, Chapman & Co., Minneapolis; H. P. Wright, president H. P. Wright Investment Company, Kansas City, Mo.; C. Edgar Elliott, member of firm of Jos. T. Elliott & Sons, Indianapolis; A. C. Foster of the Causey, Foster Company, Denver, and Herbert Witherspoon, vice-president of the Spokane and Eastern Trust Company, Spokane. The proceedings closed with a banquet at the Waldorf in the evening. The meeting was attended by the representatives of about two hundred bond houses, among them being some of the largest and most important in the country. Great interest was manifested in the new organization, and the New York press as well as financial publications all over the country have been strong in their praise of the new association founded on such conservative lines. Those who are engaged in the business of buying and selling investment securities for their own account, are eligible to membership, and the firm, individual or corporation making application must have a capital of at least \$50,000. The first convention of the new association will be held sometime this fall—probably in November—the time and place to be announced later by the board of governors. The Chicago Association of Commerce sent a letter inviting the convention to this city.

Mr. Fenton, the new secretary, is busy getting ready stationery, membership blanks, etc. The office of the association will be in Chicago, and until such time as the new address is announced, communications should be addressed to the secretary, First National Bank Building.

PROMINENT FREEPORT BANKER DIES

D. B. Schulte, capitalist, director of the German Bank of Freeport, Ill., formerly city treasurer, school treasurer, supervisor, and director of the Germany Insurance Company, died this week.

Short Term Securities

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations.

Such securities, particularly of the larger issues, also usually command a ready market and are not subject to extreme fluctuations in price.

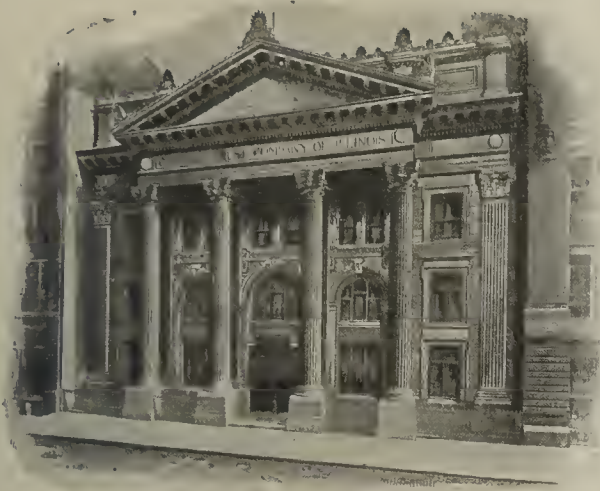
Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

Ask for Booklet S-724

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$ 23,000,000.00
Deposits - - - 190,000,000.00



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

Prosperous Year Predicted by Continental and Commercial National

The great Continental and Commercial National, of Chicago, from investigations made by its thousands of correspondents has compiled its annual crop and business report with most gratifying results. The accuracy with which the institution has covered the field is indicated by the closeness with which it approaches the government's figures.

A total crop of 660,000,000 bushels wheat is indicated, 20,000,000 bushels less than the government figures, while the estimate on corn is only 11,000,000 bushels out of the way at 2,800,000,000 bushels. The estimate on oats is 1,200,000,000 bushels, or 7,000,000 bushels less than the government's August figures. Other estimates also generally approximate the official figures. Rye is placed at 38,300,000 bushels; barley, 200,000,000 bushels; potatoes, 360,000,000 bushels, and the cotton crop at 13,100,000 bales. In its estimate on hay it is much below the government's estimate—60,000,000 tons, compared to the official estimate of 73,000,000 tons.

Crops Gain 30 Per Cent

In summing up agricultural conditions the report says:

"A volume of agricultural products, 30 per cent larger than last year, will return to the farming community the most profitable results of a decade. The industries of the country have been feeling the stimulus of the prosperity of the tiller of the soil, and the ample supply of the needs of the people. The only prosperity is that which comes from the agricultural production, and that is assured."

A hopeful view of the general business outlook is taken. In this regard the report says in part:

"Considerable material progress has been made in the business world toward a complete recovery from the depression, resulting from the slowing down process made necessary in 1910 by the too rapid expansion in our industrial and commercial activity, undue speculation in land and the tying up of too much liquid capital in projects in process of development and not sufficiently seasoned to make their securities readily convertible. In some instances, this progress toward a recovery has not only reached normal but has extended con-

Reports from more than ten thousand banks show results close to those obtained by the government. Growth of industries and money market situation put down as satisfactory

siderably beyond that. In others the condition of trade and business shows a full recovery. In a few words, however, we are still below normal, owing to peculiar conditions in those particular lines of human endeavor.

Money Market Is Satisfactory

"Money continues plentiful, and the agricultural outlook of the country is satisfactory, with a promise of a production considerable in excess of that of last year. Our foreign commerce which a year ago reflected a complete reversal of the previous year's tendency continues in our favor, with the result that there is a larger trade balance to the credit of this country growing out of our international trade, than that of a year ago. This probably will be greatly augmented by our exports of cotton and grain. The cotton crop, despite the

floods early in the season in the Mississippi valley, is promising, and the price will be a more favorable factor in our export trade than last year. The volume promises to be sufficiently large to justify the assurance of our ability to protect our gold should that become necessary.

"During the last year the more friendly attitude of European bankers and investors toward our securities, was turned to good account, and as a result of our large credit balances abroad, our bankers were enabled to extend assistance to bankers both at Berlin and London."

Revival in Steel Industry

A remarkable revival in the steel industry was found to have taken place, which, it is predicted, will be the greatest stimulus to general business activity. The steel industry being regarded as the truest business barometer, a revival in all lines of business is forecast. Railroads have been enormous buyers of all kinds of steel products, and the demand has been of such an urgent kind that a premium has been placed on products for early delivery. As the result of these conditions, better prices have obtained, and as an indication of the permanency of present conditions it is stated there has been no falling off in the buying as the result of advanced values.

A drawback is found to be the scarcity of labor, especially skilled labor, at the leading industrial centers of the country. The big harvests have called for an unusually large number of laborers, and as a general proposition the laboring class has found no lack of employment. The steel mills especially are experiencing great difficulty in getting a sufficient number of men.

A serious car shortage this coming year is foreseen, the necessity for moving enormous crops, with the brilliant prospects for a revival of general business, promising to result in congestion, especially as many of the railroads have not been able to keep their equipment up to the standard called for by a period of commercial activity.

An increase in the buying power of the country at large is seen. Allowing for the depreciation in prices for farm products in general

J. HERBERT WARE

EDWARD F. LELAND

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160 West Jackson Blvd.
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We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

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THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,468,000.00

Deposits - - - 15,397,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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G. H. Millett, Asst. Cashier

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PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000

Surplus and Profits (earned) 2,270,000

Deposits, over - - - 25,500,000

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HENRY A. HAUGAN, Vice-President

C. EDWARD CARLSON, Asst. Cashier

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



the value of the crops this year is placed at \$617,000,000 greater than last year. Of this amount, \$365,000,000 comes from the ten leading cereal and produce crops.

Bankers Grow More Optimistic

Turning to the banking situation the report says:

"The banker finds a situation a little more satisfactory than that which existed a year ago. The fact that the banks at the interior, and in fact all through the country, are well loaned up indicates firmer rates in the coming months. The developments early in July, growing out of the financing of our midyear disbursements and the requirements of foreign bankers, rather clearly indicate that the ease in the money market is largely superficial and that the situation may change over night and a decidedly firmer market develop. While there is nothing in the situation to suggest an acute stringency, a much healthier monetary condition is likely to ensue.

"Were this country fortified with a more elastic and scientific banking and currency system the burden of financing the harvest would be inconsequential. But unfortunately our currency fails to expand and contract with actual business and commercial requirements; hence it is necessary to adjust our banking affairs and accumulate our surplus reserves preparatory to meeting the autumn demand of the agricultural sections. This invariably results in a period of superficial ease just prior to the demand of the harvests becoming insistent."

J. S. BROEKSMIT BACK FROM EUROPE

J. S. Broeksmit, cashier of the Harris Trust and Savings of Chicago, has returned from a vacation in Europe.

MASKED MEN ROB A BANK

Cohasset, Minn., Aug. 14.—Two masked men entered the State Bank here, and at the point of revolvers, drove Cashier Stackpole into the vault. They locked him in and fled with several hundred dollars lying on the counter. A posse is hunting the men.

Pittsburgh

Expanding trade and industry at home and the business activity in Britain and Germany are factors in the American money market, according to the Peoples National Bank of Pittsburgh. Referring to the situation in the Pittsburgh district, the bank in its current monthly circular says:

"Aside from the seasonal lull, commercial affairs in the Pittsburgh district continue satisfactory. The steel and electrical companies are better supplied with orders than at any previous time in more than two years. In the steel trade there has been a moderate but general recovery in price. This, together with the reduced percentage of overhead costs resulting from the employment of practically full producing capacity, has increased the percentage of profits. The improvement is demonstrated in the quarterly report just issued by the United States Steel Corporation, which may be accepted as reflecting from the standpoint of financial results the better condition of most of the manufacturing interests of this district.

"While Pittsburgh is geographically removed from the great Western and Southern agricultural belts, there is probably no section of the country more vitally interested in a favorable outturn of the crops. The industries of this district supply the steel for all farm implements; the cars for the movement of grain and other commodities; the air brakes for the control of cars; the rails and track supplies for the maintenance of way; the structural material for bridges, etc.; the pipe for water, oil and gas extensions; the material for new buildings, including fireproofing, plate glass, window glass, nails, etc.; the glass tableware, lamps, electrical appliances for mines, mills and homes, besides innumerable other products of utility and comfort used on the farm and in the city. All of these varied Pittsburgh industries feel encouraged as a result of the favorable crop reports of the past month, indicating a yield of wheat in excess of last year's and a production of corn, hay and oats equal to the largest crops of any previous year.

SOME CALIFORNIA BANKERS WHO WILL GO TO DETROIT

The following California bankers anticipate attending the Detroit convention of the American Bankers Association to be held the week of September 9th: A. E. Edwards, First National, Pasadena; W. D. Longyear (and party), Security Trust and Savings, Los Angeles; James K. Lynch, vice-president First National of San Francisco; W. A. Bonyng, Commercial National, San Francisco; C. F. Hunt, Anglo and London Paris National, San Francisco; F. J. Belcher, Jr., First National of San Diego; Charles A. Smith, Security Bank and Trust Company, Oakland; A. J. Waters, Citizens National, Los Angeles; Paul Furst, First National, San Jose; Victor H. Rosetti, Farmers and Merchants National, Los Angeles; Milton Epstein, Bank of Commerce, San Diego; E. F. Moody; E. M. Barber, San Diego Savings Bank; George P. Edwards, proprietor "Coast Banker," and F. H. Colburn, secretary of the California Bankers Association. A number of the foregoing will be accompanied by their wives.

POSSIBILITY OF CAR SHORTAGE

W. A. Garrett, chairman of the General Managers Association of Chicago, has sent out a communication to industrial traffic managers and commercial organizations in which he expresses the belief that a car shortage is imminent this fall unless consignors and consignees co-operate to the fullest extent with the railroads. During the four months beginning about October 1st car shortages are extremely likely to occur. This is on account of the fact that this is the crop-moving season. It is expected that this year the crops will be unusually large; hence the cause for anxiety. Mr. Garrett believes that matters will be expedited greatly if all the lumber, coal, cement and other freight is moved within the next few weeks instead of saving it for the crop-moving period; if all cars delivered are loaded and unloaded as quickly as is practicable and all cars are loaded to as near their capacity as possible, such a contingency may be averted.

Mr. Banker-Farmer

Some bankers interested in better agriculture and improved animal husbandry, are supplying their farmer customers with good Berkshire hogs to improve the hog production in their respective communities.

Next Monday, August 19th, at Aurora, Illinois, William George will have an auction sale of pure bred registered Berkshires at his Brookline Farm.

PROGRESSIVE BANKERS

Better attend and buy a few, or send a mail or telegraphic bid, to

WILLIAM GEORGE

Brookline Farm

AURORA, ILLINOIS

GOLD PINS FOR ILLINOIS A. B. A. MEMBERS

President B. F. Harris of the Illinois Bankers Association is sending out gold pins to be worn by Illinois delegates at the convention of the American Bankers Association in Detroit. The letters "A. B. A." appear in white, and the word "Illinois" in black.

PROMINENT MINNESOTANS TO GO TO DETROIT

A number of prominent Minnesota bankers intend to make the trip to the Detroit convention on the special Chicago train de luxe arranged for the occasion. The following have signified their intention of going: J. S. Pomeroy, Security National; Joseph Chapman, Jr., Northwestern National; George F. Orde, First National; V. H. Van Slyke, Metropolitan National; N. F. Hawley, Farmers and Mechanics Savings Bank; Theo. Wold, Scandinavian-American National Bank, and W. F. McLane, Hennepin County Savings Bank, all of Minneapolis. Among those who will go from St. Paul are J. W. Wheeler, Capital Trust Company; John R. Mitchell, Capital National, and Kelsey Chase and wife. Others who will make the trip are A. M. Eckman of the State Bank of Hendrum; George A. Du Toit, Carver County State Bank, Chaska; D. C. Armstrong and wife, Albert Lea State Bank. Minnesota Loan and Trust Company will send two representatives, but have not decided as yet whom they will send.

LUCIUS TETER IN BUFFALO

Lucius Teter, president of the Chicago Savings Bank and Trust Company, was in Buffalo this week on business. He returned to the city on Thursday.

ALL ABOARD FOR SALT LAKE CITY!

By W. W. WALTON

Arrangements have been completed for the "Chicago Special" leaving Chicago Sunday morning, August 18th, enroute for the A. I. B. convention to be held at Salt Lake City, August 21st, 22d and 23d. Reservations have been made for the Chicago delegates and those arriving from the East which will exceed over two hundred delegates, also for about fifteen or twenty ladies, wives of some of the delegates who will accompany them. The special will be made up of nine Pullmans, two diners, one baggage car and one club car, and will leave Chicago at 10 A. M. via C. M. & St. P. Ry. for Omaha, from Omaha to Denver via C. B. & Q. Ry., and from Denver to Salt Lake City via Denver & Rio Grande, arriving at Salt Lake City Wednesday morning at seven o'clock.

At Omaha the delegates will be joined by delegates from the Minneapolis, St. Paul, Duluth and Eau Claire Chapters, who will run a special car from the "Twin Cities." The St. Louis and Omaha delegates will also join the eastern delegation at this point. From Denver the train will be run as two sections over the mountains, when it will again be run as one train into Salt Lake City.

The C. M. & St. P. Ry will serve table d'hôte meals to the delegates at reasonable prices and they have agreed to permit the diners to run through to Salt Lake City, and the officials

of that road are doing much for the comfort of the delegates while enroute.

The delegates also greatly appreciate the courtesy of the Cable Piano Company for having furnished them with one of their high grade pianos to be used in the club car during this trip, which will do much toward augmenting the pleasure of the boys during their three days' journey.

George A. Jackson, chairman of the transportation committee, is to be congratulated upon the complete arrangements which have been made for the comfort and pleasure of the boys enroute, as it has only been through his untiring efforts that such a splendid trip has been arranged for.

Chicago Chapter will have open house and will entertain all incoming delegates Saturday and Sunday up to the time of the departure of the "Special," headquarters having been established at the Hotel La Salle. Saturday evening Chicago Chapter will give a banquet in honor of its visitors at the Hotel La Salle.

Harry S. Smale, of the Continental and Commercial National Bank of Chicago who has been president of Chicago Chapter for the past year, has been endorsed by the chapter for the office of secretary of the Associated Chapters.

BANKERS' SPECIAL JUMPS TRACK

New York, New Haven and Hartford Railway Company's Boston Express, better known as the "Bankers' Special" of New York, jumped the track in the tunnel at Fifty-sixth Street and Park Ave. on Monday of this week while running at a high rate of speed. More than five hundred persons narrowly escaped death.

The Farmers State Bank, Selz, N. D., has been organized with a capital of \$10,000 and will open for business about September 1st.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

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---	--	--

CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

Tamaroa, in Perry county, is to have a new bank to be known as the Farmers State Bank, a permit having been given for its organization by the state auditor of public accounts to J. P. Haley, F. C. Springer, A. H. Evans and Z. Hampleman. The bank will be capitalized at \$25,000. This will be the third bank for Tamaroa, the other two being the First National and the Citizens Banking House. Tamaroa is a growing town in southern Illinois.

Railroads Teach Employees Economy

The Illinois Central Railroad Company issues to its employees a monthly bulletin of general instructions, and in the August number there appeared an article telling them of the value of bank accounts and giving some preliminary instructions in the methods of opening bank accounts. Illustrations are given of checks, pass book pages, canceled checks, deposit slips, and other bank stationery. The railroad company also tells the employee how to deposit a certain portion of his monthly pay check and explains to him something of the dignity and worth of the man who has a bank account. As an object lesson in thrift there could be no better work done than is now being attempted by the Illinois Central people and bankers will strongly endorse their policy.

Wabash Permitted Large Loan

The receivers of the Wabash railroad have been allowed by Judge Francis M. Wright, sitting in the federal court at Danville, to issue receivers' certificates for the purpose of borrowing \$2,500,000. This amount will be spent in constructing a double track over the main line, improving and enlarging terminals, shops and yards and in purchasing additional locomotives and cars. The receivers state that the increased business on the road has made it imperative that the roadbed and equipment be placed in the best of condition. The petition has been under consideration by Judge Wright for over a month.

One Thousand Auto Licenses Issued Weekly

The Illinois secretary of state is issuing automobile licenses at the rate of 1,000 a week and already 60,000 have been issued this year. It is estimated that there are over 200,000 automobiles in the state and hence there are many

delinquents who must act quickly in the matter of securing state licenses or else incur trouble and expense. The prosperity of the state is reflected in the large number of cars operated and the idea that a panic will follow the use of automobiles is held by but very few bankers at the present time. However, it is believed that certain lines of other business suffer because of the motor car, especially piano manufacturers and other makers of articles commonly called luxuries. Retail clothing merchants complain that sales are off from those of a few years ago, but how much is dependent upon automobiles is problematical. Possibly the use of the more or less rough and ready clothing of the autoists may hurt to some extent the business of the clothier, tailor and haberdasher.

Death of Sterling Banker

Charles E. Windom, vice-president of the State Bank of Sterling, died suddenly while on a lake boat enroute home from Petoskey Sunday night, August 11th. Death was due to apoplexy. Mr. Windom was prominently identified with the business interests of Sterling and was well and favorably known there.

Commerce Building Being Erected

The Commerce Building being erected at the University of Illinois is being pushed rapidly to completion and the best of facilities for the teaching of such subjects as banking, insurance, the consular service, industry as reflected in corporations, railroads and manufacturing establishments, and all branches of theoretical

and practical economics. The commerce department at the University of Illinois has made rapid strides under the leadership of Dean David Kinley.

Northwestern University has also a complete department of commerce and has the work so organized that the bachelor's degree in commerce is awarded to students.

Farmers to Study Agriculture

There will be more farmers' institute meetings in Illinois this fall than ever before. There is to be a central Illinois farmers institute in Paris October 15th, 16th and 17th; a southern Illinois institute in Cairo November 19th, 20th and 21st, and the annual state institute at Sterling February 18th, 19th and 20th, 1913. Besides these state meetings there are already planned local and county meetings for 254 towns, covering 422 days. There will be 134 one-day, 148 two-day and 135 three-day meetings. The state institute has assigned 65 speakers and instructors who are scheduled to deliver 847 addresses. Besides these the college of agriculture and experiment station authorities will assign two speakers to each county institute, which, it is estimated, will bring the total number of addresses to 1,647.

Conservation of natural resources is the watchword now among farmers and bankers in Illinois, and the study of real agriculture is demanding attention as never before. Farmers' institutes are rapidly improving in char-

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Deposits over \$3,200,000.00

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Chicago

RESOURCES
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Open an account *now* with the *First of Joliet* and you will know that your business is handled promptly and correctly.

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WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. ¶ No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. ¶ Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. ¶ Write for *The Investors Magazine*, published twice a month.

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acter and are demanding the attention of the best informed farmers, bankers and land-owners.

Manito Banker Married

Samuel J. Marshall, assistant cashier of the Peoples Bank of Manito, recently was married to Miss Emma A. Patzer. Mr. Marshall is the son of Mr. and Mrs. J. A. Marshall. His father is one of the best known business men in Mason county. The son has been connected with the Peoples Bank for the past six years. The bride is the youngest daughter of Mr. and Mrs. Charles A. Patzer, and has resided in Delavan for many years.

New Cashier for Herscher Bank

Joseph Peterson recently was elected cashier of the Citizens State Bank of Herscher to succeed Ed. W. Berger, resigned. Mr. Peterson has been assistant cashier of the institution for the past year. The bank was reluctant to part with Mr. Herscher. He expects to spend his time the next year in travel.

Bank Changes Its Name

Bank of Schuyler hereafter will be known as the Rushville State Bank. Business will be conducted in the same manner as heretofore, and there will be no change in the management. Ever since its organization the bank has been under state supervision and inspection, but there was nothing in the former name to indicate that it was a state institution. People in other towns thought that it was a private institution. There can be no room for doubt under the new title.

Bank Takes Over Assets

Depositors of the Union National Bank have been notified that the Union State Savings Bank and Trust Company has acquired the assets of the former institution and assumed its liabilities. The deposits have been transferred to the new institution. J. H. Bennison is president of the new bank; W. H. Lyman and W. W. Calhoun are vice-presidents and H. W. Flint is cashier.

Bank to Have New Building

National Bank of Decatur has decided that its new building will be exclusively a bank building.

It originally was proposed to have a ten-story office structure, but this plan has been given up. It is expected that the contract for the new building will be let in the near future, as soon as all arrangements have been definitely agreed upon. The board of directors contemplate visiting other cities to inspect bank buildings before finally deciding as to just what kind of a building the new structure shall be.

Illinois Notes

The proposition to bond the city of Sterling for \$25,000 to build a public hospital was carried by a large vote.

The First National of DeLand, Piatt county, has installed a bulletin board upon which market prices of grain and live stock will be furnished daily as they are received from Chicago. A good feature is this idea and one which can be used very profitably by banks in a strictly agricultural region.

The Avery Company of Peoria has been selling a large block of its stock recently in Chicago and elsewhere. This company is doing a colossal business in the manufacture of farm

machinery and agricultural and commercial motors. Their auto truck is well known and their traction engines are also used extensively. The Harris family of Champaign use an Avery traction engine to plow with on their large farms. This plow was run last spring twenty-four hours of the day with changes of men and a much larger amount of ground was turned under than could possibly have been done with horse labor. In this way advantage can be taken of good weather conditions.

The board of review of Ogle county, in session at Oregon, has unearthed and assessed mortgages amounting to almost one million of dollars which had never been taxed. Some idea of the wealth of village and country people can be gathered from this item.

J. Seaman, president of the hardware company bearing his name, recently was elected vice-president of the Bradford National Bank of Greenville, Ill., to fill the vacancy caused by the resignation of J. M. Daniels. Judge William H. Dawdy was elected a director to fill the vacancy on the board created by the resignation of Mr. Daniels, who has been elected vice-president and a director of the State Bank of Hoiles and Sons.

C. O. R. Stabeck, cashier of the Farmers Bank of Davis, has resigned his position as cashier to accept a position with the Gold-Stabeck Land and Credit Company of Minneapolis.

Belleville Savings Bank contemplates the erection in the near future of a stone and brick bank building which will cost \$50,000.

Herbert Cooney, assistant cashier of the State Bank of Woodstock, is spending his vacation this year in the West. He will make an extended stay at Yellowstone Park.

The farmers of South Fork Township are contemplating the organization of a new bank to be located at Kincaid.

Edward F. Ackermann of Carlyle, has accepted a position as assistant cashier of the Merchants State Bank of Centralia. Mr. Ackermann has had wide experience in banking matters, and will be a valuable addition to the Merchants State.

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Money to Loan on Real Estate

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The Wisconsin National Bank OF MILWAUKEE

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SURPLUS - - - 1,000,000

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L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

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Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
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Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

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FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Recent action of the Milwaukee clearing house in forcing the new Union Bank of Milwaukee to close at 12 o'clock Saturdays has aroused District Attorney Winfred C. Zabel into a bitter arraignment of the Saturday noon closing policy of banks.

"There should be some provision for the workingmen who are paid at the end of the week's work," said Mr. Zabel. "When the men are paid at 5 or 6 o'clock the banks are closed and they are forced to cash their checks at saloons or business houses. The practice results in a rich harvest for the saloon keepers—and for district court on Monday morning. It is also taken advantage of by check forgers, for the proprietors are unable to verify in the Saturday night rush, the status of deposits on which checks are drawn. The fact that many workingmen gathered at the Union Bank last Saturday night, only to find that the rulings of the clearing house prevented the directors carrying out their advertised promise to keep open Saturday night, showed that the proposed innovation was appreciated.

"New York, Chicago, and other cities have banks which are open all the time and are a great benefit to workingmen, and I would like to see a twenty-four hour institution of this kind opened in Milwaukee."

Installing Vault in Marshall & Ilesley Bank Building

A score of men with two ten-horse teams are engaged in installing the Bethlehem steel vault in the new building of the Marshall &

Ilesley Bank on East Water Street, north of Wisconsin, this week. The vault will be 16 by 29 feet, inside measurement, with a height of 7 feet. The steel will be encased in a 9 inch concrete wall, the weight of the whole being about 210 tons. The doors, each weighing 28 tons, will swing on crane hinges. The interior will be divided into two compartments, one for the safety deposits and one for coin.

The huge strong box is equipped with the last word in burglar alarms and protective devices, even to wells designed to catch and bear out of harm's way the cracksmen's "soup" if he avoided all other safeguards and reached that crucial stage in his procedure. The Marshall & Ilesley Bank is the first in the state to install this highly developed form of vault and the Continental Commercial Bank of Chicago is the only one in Illinois with one of this description.

Lauds German Banks

In a letter from Berlin, Germany, Secretary William George Bruce of the Milwaukee Merchants and Manufacturers Association lauds the practices of German banks as responsible for a large measure of that country's prosperity.

"The banks here are far in advance of American banks in the extent to which they facilitate manufacturing and commerce," writes Mr. Bruce. "If, for instance, a foreign firm ordered a bill of goods from an American manufacturer, and demanded three months' credit, the manufacturer, unless the customer

is an old one, might hesitate to involve himself to this extent. But the German banks make a practice of guaranteeing such accounts of reliable firms, or buying them outright on a commission basis. The American system of banking does not permit the acceptance of collaterals of this nature and hence limits the credit possibilities."

Celebrates Sixtieth Anniversary

With the dignity and conservatism that has characterized its activities since founding, the Old National Bank of Oskosh this week celebrated its sixtieth anniversary. It was fifty-five years ago that Vice-President Charles Schriber entered the service of the bank, then only five years old, and to-day Mr. Schriber remains the last of what he affectionately terms "the old guard." Scores of people took advantage of the unique anniversary offer of President Edgar P. Sawyer to add one dollar to every new savings deposit started on August 10th, the date of the anniversary, many of the "depositors" being children in arms. Louis Schriber is cashier of the institution and J. P. Fitch and F. A. LaBudde assistant cashiers. The bank is capitalized at \$300,000 with deposits amounting to \$2,676,189.03 at the time of the June statement.

Barley Crop Damaged by Rain

Wisconsin stands in danger of losing its reputation as one of the large barley producing states this year if the present heavy rainfall continues, according to Secretary H. A.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital . . . \$500,000.00
Surplus and Profits 500,000.00

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Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

Plumb of the Milwaukee Chamber of Commerce.

"All growing crops have been damaged more or less by the heavy rainfall of the past week," says Mr. Plumb. "but the barley has suffered most of all. The soaking it has received has in many sections of the state colored the kernels and swollen them to abnormal size, greatly decreasing their value for malting purposes. In 1911 Wisconsin produced 13 per cent of the total barley crop of the United States, or 20,910,000 bushels, ranking third in importance among the barley growing states."

According to reports to the Milwaukee County School of Agriculture grain crops in southern and central Wisconsin are seriously damaged. Much of the uncut oats is badly lodged and that which is in the shock is turning black. Corn, clover and alfalfa are doing well, seeming not to have been affected by the rains.

Wisconsin Banking Notes

That his wife lives in Waukesha and his parents in Oskosh, Wis., is the claim made by William J. Renk, arrested in Kansas City this week on charges of forgery. The information is included in what purports to be a sworn confession by the defendant.

John Gronseidt has been arrested by Sheriff Dormandy of Ashland county, charged with forgery.

The State Bank of Reedsburg has increased its capital stock from \$30,000 to \$50,000.

DEKALB BANKER AT COUNTRY LIFE CONFERENCE

S. E. Bradt, vice-president of the First National of DeKalb and chairman of the good roads committee of the Illinois Bankers Association, recently was elected a member of the executive committee at the second annual country life conference recently held in that city. Mr. Bradt discussed good roads at the conference and outlined a plan which will be recommended by the bankers for state aid in the building of highways.

J. FLETCHER FARRELL ON SICK LIST

J. Fletcher Farrell, vice-president of the Fort Dearborn National of Chicago, has been confined to his home on account of illness.

NEBRASKA CONVENTION

Nebraska bankers will hold their convention this year in Omaha, August 26th and 27th. Secretary William B. Hughes has prepared a very attractive program for the occasion. The bankers will be called to order the first day at 10:30 A. M. by President Frank McGiverin. After the invocation Victor B. Caldwell, president of the Omaha Clearing House Association, will deliver the address of welcome, and will be followed by the response and annual address of President McGiverin. Reports then will be heard from Secretary Hughes, Treasurer J. C. French and Henry W. Yates, chairman of the executive council, after which committees will be appointed, resolutions adopted and nominations made. C. W. Pugsley of the department of agricultural extension and farm management, University of Nebraska, will deliver an address on agricultural development topics.

In the afternoon the committee on state bank depository bonds will make its report. George M. Mangold, cashier Mangold and Glandt Bank, Bennington, will talk on handling the customers of a bank. C. G. Hulbert, cashier of the Merchants Bank of Utica, will deliver an address on the "State Bank Guaranty Law," and T. L. Mathews, cashier of the Fremont Savings Bank, will talk on the relation of the banker to society.

Tuesday morning Chairman J. P. A. Black will make a report for the protective committee, and Chairman Carson Hildreth and C. F. McGrew respectively will report for the agricultural education and agricultural development committees. P. L. Hall, president of the Central National Bank of Lincoln, will deliver an address entitled "The Record."

In the afternoon the group presidents will make their reports, after which Detective Burns of New York will talk on the protection of banks, and will be followed by Henry W. Yates, president of the Nebraska National Bank, Omaha, who will talk on separate reserve associations based upon the report of the Aldrich monetary commission. After the election and installation of officers the convention will adjourn.

The full list of entertainments to be provided for the occasion has not been arranged as yet. On the evening of the first day there will be an Ak Sar Ben initiation, and on Tuesday evening a dinner will be tendered the delegates. The name of the toastmaster has not

been decided upon as yet. Responses will be made by J. A. S. Pollard, who will talk on soil culture, and D. R. Forgan, who will talk on the National Reserve Association of the United States.

GOOD CROP CONDITIONS IN DAKOTAS

George F. Orde, vice-president of the First National of Minneapolis, says that indications from the Dakotas are that they now will have some favorable weather for the harvesting of crops. He believes that another ten days will secure the most bountiful crop they have had in several years. Estimates are made that Minnesota, North and South Dakota and Montana will have in the neighborhood of four hundred million bushels of wheat, not counting the other grains, which also are very bountiful.

HEIRS REPAY BANK CREDITORS

Cleveland, O.—Through the voluntary offer of the heirs of Aaron Wilcox and Zenas S. Wilson, who conducted the Lake County Bank at Painesville, O., when it failed twenty years ago, creditors of the bank will be paid \$83,000 next Thursday.

The bank's affairs were wound up in 1893, the creditors' claims being adjudged settled by the payment of 80 cents on the dollar. The actual remaining indebtedness was \$38,000.

The heirs announce that they have decided "the square thing to do would be to pay the \$38,000, with 3 per cent interest." The total is \$83,000. The heirs are Mrs. Peter Hitchcock of Cleveland, Mrs. C. E. Page and Mrs. Normal Snell of Painesville, O.; and Miss Eliza Wilcox, Mrs. C. E. Doolittle and C. S. Wilcox of Hamilton, Ont.

PLANS TO INCREASE CAPITAL

Stockholders of the Bank of Nova Scotia have been notified of a proposed increase in the capital stock of the bank from \$4,000,000 to \$5,000,000 by the issuance of 10,000 new shares at 240, thereby also increasing the surplus account. This account now stands at \$7,500,000, and the increase will bring it up to \$8,900,000. Stockholders have six months in which to subscribe for the new stock. The bank pays dividends at the rate of 14 per cent annually and its stock is quoted at about 256.

The Cedar Falls (Iowa) National Bank is making improvements in its bank room.



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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, August 15.—Firm money rates have prevailed here during the past week or ten days and the demand from all sources continues excellent. The banks are quoting a range of rates from 5 to 6 per cent, with considerable money going at the major end of the range. Shipments of currency to the interior are normal for this season of the year, but are gradually increasing, especially to the Southwest. The situation with country banks presents considerable variety, as in some sections they are borrowing liberally, while elsewhere rural bankers are purchasing commercial paper through this market. The city demand is better than for some time, and general offerings of commercial bills are ample to keep busy all available funds for that purpose and to enable lenders to pick and choose. On the whole the outlook from a banking viewpoint is better in St. Louis right now than has been the case for many months. Renewed activity among manufacturers and jobbers is manifest on all sides, and these gentlemen have appeared as borrowers, some of whom have taken little or nothing for two years or more. Political fears are being daily minimized, and confidence in big crops becoming more fixed. While there has been a little too much rain in some areas, little actual damage has been reported, and as in 99 cases out of 100 water helps rather than hurts agriculture, not much apprehension is felt. Wholesalers say that country buying indicates a lively fall and winter business. Early orders have been in numerous cases increased, and the number of country merchants here now is greater than at any like period in a decade. One thing assured is the fodder crop throughout the Middle and Southwest, and it was lack of feed for farm animals in that region last season that proved one of the most detrimental factors. Corn is prospering, though experts concede that the fall must be a late one to bear out the present promise. In any event, however, the crop will be up toward the ten year average. Small crops, including fruits and roots, are flourishing like the proverbial green bay tree, and in that department the cost of living next winter is likely to be well under last season. Reserves here are high, and every preparation has been made to handle the crop movement. Heads of banks which make a specialty of crop financing, say their institutions are ready to cope with any situation which may arise.

Will Travel De Luxe

According to a pamphlet just gotten out by W. F. Keyser, secretary of the Missouri Bankers Association, Kansas and Missouri bankers attending the Detroit convention of the Ameri-

can Bankers Association will travel in great luxury and comfort. The transportation committees of the Missouri and Kansas Associations have arranged for two official trains for their members and friends, one to be run from Kansas City and the other from St. Louis. These trains will be composed of the latest compartment observation sleepers, ten-compartment sleepers, twelve-section drawing-room sleepers, dining cars and composite or club cars. Diners will be coupled on at proper points, and these diners will be supplied with rare dainties. Each train will be accompanied by representatives of the railroad passenger department. In fact nothing in the way of detail calculated to make bankers happy while traveling has been overlooked. The Missouri committee consists of W. L. Buechle, Kansas City; J. A. Lewis, St. Louis; F. T. Hodgdon, Hannibal. The Kansas committeemen are: M. H. Malott, Abilene; W. J. Bailey, Atchison; and W. W. Bowman, Topeka.

Farmers Want Higher Prices

At the annual convention of the Farmers Educational and Co-operative Union of America, held here this week, the almost unanimous sentiment among the delegates was that higher prices should prevail for products of farms, while the cost of manufactured articles and imported goods should be lowered considerably. Speakers dwelt upon the high cost of living, but viewed philosophically the extravagant rates being paid for cereals, fruits, vegetables and live stock. One speaker advocated the organization of a sort of farmers' trust to lift prices, and incidentally combat the middleman. It was brought out very clearly that the selling agent is getting more than his just due. The farmer must toil and sweat and run the risk of failure, and then when his crop is ready to ship to market the board of trade reduces the price by manipulation. So, also, the commission merchant schemes to pay the producer little and extorts from the consumer enormous

prices. The delegates seemed to resent this state of affairs, especially as the agriculturist is blamed for the high living cost. Other topics discussed were the relations of farmer and banker; diversified farming; better rural mail facilities and public schools.

Opposed to Single Tax

Considerable opposition to the proposed single tax amendment, to be voted on in the November election, is developing here and throughout the state. Elmer B. Sanford of Kansas City, secretary of the Antisingle Tax Association of Kansas City, has been in St. Louis all week working with the Real Estate Exchange and other factors arrayed against the passage of the amendment. Mr. Sanford believes there is a possibility of the amendment being adopted, not because of its popularity, but because of the apathy of those opposed to it, and the energy of its advocates.

B. F. Edwards Named as Trustee

B. F. Edwards, president of the National Bank of Commerce of St. Louis, has been named trustee for the holders of the new \$200,000,000 bond issue of the St. Louis, Iron Mountain and Southern Railway Company, according to the mortgage filed yesterday with the local recorder of deeds. The Union Trust Company of New York is named as the other trustee. The new bonds were recently voted by the stockholders to retire all obligations of the railroad and to provide about \$60,000,000 capital for needed improvements. The bonds are to run for forty years from July 1, 1912, and bear not over 6 per cent interest.

St. Louis Bankers in Investment Bankers Association

Among the delegates who attended the meeting of the Investment Bankers Association in New York last week were Arthur D. Bowman, J. Herndon Smith and Thomas Smith of St. Louis.

NORTH CAROLINA TRUST COMPANY CHARTERED

The Anchor Banking and Trust Company of Raleigh, N. C., has received a charter from the state. The capital stock will be \$50,000.

Mankato, Minn.—The Peoples State Bank of North Mankato has been organized with a capital of \$15,000. President, O. W. Walker; vice-president, N. A. Door; cashier, John C. Struck. A building will be erected.

The West Bend (Ia.) Savings Bank will erect a new building.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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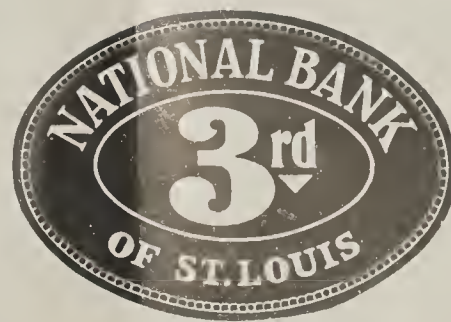
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CHICAGO

MACVEAGH CAUSES REFORM

Washington.—Government discrimination in designating national banks as depositories for federal funds is gradually being corrected under a change of policy by Secretary MacVeagh, who is increasing the number of depositories without augmenting the aggregate of the government's deposits. This is being done especially in small cities. In towns with only two banks the secretary is dividing the government deposits between them, to avoid discrimination. In the larger cities the advantages enjoyed by the depositories are regarded as negligible.

Secretary MacVeagh also has just designated as government depositories a large number of nondepository national banks with which the department of justice and the postoffice department have been depositing funds for many years. It was only recently discovered by the attorney-general and postmaster-general that nondepository banks were being used by their departments.

CLOSES BIG LOAN CONCERN

San Francisco, August 9.—State Building and Loan Commissioner John S. Walker announced to-day that he had taken charge of the affairs of the Continental Building and Loan Association, one of the largest institutions of the kind on the coast. He served notice on the directors that he had found the association insolvent a shortage of about \$318,000 having been uncovered. He also charged that mismanagement had caused the shortage.

The directors at first refused to surrender control on the ground that the state building and loan laws are unconstitutional. Walker telephoned to the attorney-general and five policemen appeared. The directors offered no further protest.

Indianapolis

The auditor of state, chief clerk of the bank department in the office of the auditor, and the state bank examiners, who closed a conference on banking conditions throughout the state to-day, were unable to agree as to the advisability of recommending that the next general assembly enact a law creating a charter board, to be composed of the governor, auditor and treasurer of state, to pass on the advisability of charters for banks in territories already supplied with banking facilities. Unless an agreement is reached between now and the time the general assembly meets no such recommendation will be made.

In lieu of such board the examiners will file reports from their various districts on conditions wherever it is sought to establish additional banking facilities, and the department will be guided by the reports. The purpose of Harry B. Arnold, clerk of the department, who advanced the theory of the charter board, was to prevent the establishment of additional banks where the territory is now well provided for. In this he sought to have the state banking department operated similarly to the national bank department of the United States government.

In the matter of trust companies, it was the opinion that the law as now drawn would pre-

vent trust companies forming branch concerns. It was also decided to recommend that the next general assembly enact a law requiring trust companies to report on call as banks now do.

To facilitate the work of the examiners, all banks will shortly receive a circular letter from the department, requesting that all certificates of deposit be arranged in numerical order preceding the next visit of the examiners. Should any certificates be mutilated in the arrangement, they shall be kept, the department will require, until checked by the examiners.

It was decided that examiners should reconcile all bonds on deposit in Washington, D. C., for postal savings securities when the examination of a postal savings depository is made. This is to prevent the records of the bank misleading the examiners as to the actual value of bonds on deposit. Under the present system, a depository has been known to send bonds to Washington to the value, say, of \$3,000. When the receipt was received from the government the bank would ask to exchange or transfer the bonds, and the government would make the transfer, but not take up the certificate for the original deposit, while issuing a new deposit for the bonds sent in lieu of the first set. This would make the records of the bank appear as if the bank had \$6,000 on deposit, when it had only \$3,000.

The examiners were instructed to reconcile all public depository balances with the balances as shown by the books of the public official making the deposit.

Boone, Neb.—Edward Mansfield has been elected president of the State Bank. F. E. Mansfield is vice-president and A. A. Dondorf cashier. The capital has been increased from \$6,240 to \$15,000.

BUILDING A BANK

and equipping it is a very important proposition. The Bankers' Engineering Company, 504 Monadnock Block, Chicago, will mail free to interested bankers a pamphlet containing valuable suggestions relating to Bank Buildings and Interior Equipment Work.

Editorial Comment

PRIVATE BANKING IN IOWA

The Iowa bankers and the Iowa public owe a debt of gratitude to ex-President E. J. Curtin, for putting the great Iowa Bankers Association on record for bank supervision as he did at the Cedar Rapids convention. Iowa and Illinois are in similar bad odor for laxity of banking laws, but in each state a start toward universal supervision has been made. B. F. Harris put the ball in motion at the Cairo convention two years ago, and we now have the Dawes committee plan as a result. Iowa only is one year behind and yet may catch up owing to the superenergy of her state association when aroused. Following is a letter received by THE CHICAGO BANKER from S. X. Way, at Watertown, South Dakota, containing severe comment on last week's private bank (total) failure in Iowa. Mr. Way says:

A news item from Iowa says, "Private Bank Failed; Will Not Reopen." This is not a new story in Iowa, but it is rather a surprising one in this day and age from so enlightened a people as inhabit Iowa.

Iowa is one of the few spots in the world where one can get into the banking business on less capital than it takes to start a peanut vender in business. No, that isn't a joke. At least, if you had hundreds of old friends and neighbors denying themselves the necessities of life, keeping their children out of college, cutting off music lessons from innocent little girls, seeing homes sold under mortgages, and watching mothers who had once earned a competency driven back to the washtub to spend their last years because a private banker in Iowa speculated on the depositors' money and lost, you can't see the funny side.

What if he had won? He would have continued an honored citizen, a private banker, continued to speculate on their (the depositors') money, and when deposits grew bigger and neighbors grew older and there was more grief to be sown broadcast, have failed.

A private banker is a human being. He speculates on the depositors' money. If he wins, does the depositor share the profit? No. The depositor gets his money back.

Don't lay all the blame on the banker. The Iowa lawmakers, who lack the courage to force all banks under state or national supervision, are entitled to their share of the blame.

A recipe to start a private bank in Iowa would read something like this:

Rent a building (of course, being a banker, no one expects rent in advance). Order furniture (slow order—at least ninety days in making). The great demand for the bank (from within) compels starting at once.

Have a sign painted, four gilt letters,
cash outlay\$ 7.00
Letter heads, envelopes, cards..... 3.50

Total cash required\$10.50

A peanut vender must pay rent or license, buy a roaster and one gallon of gasoline at an outlay of more than \$100.

Moral: If you live in Iowa and are short on cash, start a private bank. If long on cash (say enough to start a peanuttery) start several banks.

This is no reflection on many honored, substantial private bankers in Iowa. But the sys-

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

tem is abominable, and this late news item tends to call it once more to mind.

In this day of progressive legislation no state, much less Iowa, can afford to tolerate them. South Dakota has reason to be proud of her fine banking laws. Iowa can well profit by South Dakota's example.

The very same letter might be applied to Illinois. Conditions and laxity are the same in both states and for similar reasons—lack of public-spirited moral courage.

BASIS OF RIGHT TO REGULATE ENTERPRISES OF A PUBLIC NATURE

It follows as a natural consequence that if a sovereign power gives to an association of individuals certain rights and privileges not accorded to the community as a whole, the recipients of such benefits ought to be subject to the supervision and control of that agency which gives them this unusual power. A corporation, organized from an association of natural persons, derives its right to existence solely from the state. As a result the state has the power of visitation. The right of the corporation longer to exist, or the determination of whether or not that which holds itself out to the public as a corporation is in fact such, are matters exclusively within the province of the state government, and can be brought in issue only by the state by means of a "quo warranto" proceeding. This power of regulation and inspection naturally is the more important when relating to enterprises affected with a

public nature, such as banking, railway companies, gas companies, etc. It repeatedly has been held by our courts that the business of banking is one of a public nature; it is created to serve the public, and as a consequence the public ought to have something to say as to the manner in which it shall be conducted. Of course, in the case of a banking corporation it naturally is under the supervision and inspection of the state, as a natural result of having derived its right to existence from the state. The difficulty lies in the case of one person or more who desire to form a banking firm, and who in order to accomplish their object have simply to hold themselves out to the public as such, complying with no regulations prescribed by the public, to whom they intend to cater, nor by the government. It is this state of affairs which has led to the recent agitation advocating the incorporation of firms doing a private banking business, rendering them subject to periodical examinations. Practically all of the states of the Union have such a law on their statute books, with the exception of about four, Illinois and Iowa being numbered among the tardy ones. It is to be hoped that the report of the special committee appointed by President B. F. Harris of the Illinois Bankers Association will result in having enacted a law which will thoroughly cope with this grave situation. The great state of Illinois cannot afford to lag behind its sister states in a matter so vitally affecting the interests of its citizens.

GOVERNOR WILSON'S ACCEPTANCE

Woodrow Wilson's speech accepting the democratic nomination for the presidency has excited considerable comment, some of which is complimentary, while some is partisan. It is said that he is not specific as to just what he intends to accomplish if elected; that he deals with general principles rather than with specific matters. He believes that the establishment of right and justice is the paramount issue of to-day, and not the success of any particular party. In regard to the tariff question he declares himself for a tariff simply for revenue purposes, and not for the benefit of large manufacturers. He is for a downward revision, believing that high protection facilitates the formation of trusts and monopolies. He also favors the development and improvement of internal waterways, believing them to be national investments, and the building of a mercantile marine, but not with bounties. One of the principal criticisms directed against the acceptance is its lack of incisiveness; it is contended that the governor is vague as to what he proposes to do. He has said that he does not consider the platform of the party a program. He advocates the remedy of some of the existent evils of to-day, but believes that any efforts in that behalf should be undertaken with conservatism and good judg-

Convention Dates

COLORADO—Pueblo, August 19 and 20; Secretary, Preston T. Slayback, Denver.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

MONTANA—Kalispel, August 23 and 24; Secretary, Mark Skinner, Great Falls.

NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

It is especially desirable, owing to the unprecedented volume of grain business in prospect, that those having no facilities for direct service in Minneapolis should arrange a connection at once. This bank has an unexcelled system for the prompt presentation and collection of grain drafts and other bill of lading paper and invites correspondence with those desiring the best of service.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

ment and not brought about by any radical means. He candidly states that he does "not know enough about the currency problem to be dogmatic." The whole speech is tempered with the element of progressiveness, and is indicative of that calm judgment and conservatism so essential in one who would guide the destinies of a great nation. The battleship issue was left out because now before congress, and no attempt was made to pose the executive department as the whole government.

PUBLIC SALE OF BERKSHIRES

Probably the largest sale of pedigreed pigs ever held in this country will take place on William George's Brookline farm at Aurora, Ill., on Monday, August 19th. A booklet of thirty pages has been issued describing the pedigreed Berkshires which are to be offered for sale, each individual having a headline and descriptive text devoted to him much as if he were an important individual in the financial world. An advertisement for this sale will be found in another part of this paper. It is the expectation that many banker-farmers will be present in an effort to bring into their own neighborhood some of Mr. George's fancy stock that the breed of hogs may be improved in the various localities in the state. "The Berkshire World and Corn Belt Stockman," published at Springfield, devotes considerable space, both pictorial and text, to this great Berkshire sale, which it estimates to be one of the most important ever held in this country. It describes Mr. George as "one-half banker, one-half lawyer, one-half manufacturer and one-half farmer." He is president of the Old Second National Bank of Aurora, and an ex-president of the Illinois Bankers Association. He has been president of the Illinois Cattle Breeders Association and vice-president of the American Breeders Association. He was the organizer of the Welsh Pony and Cob Society of America. Mr. George has taken a deep interest in the almost nationwide movement on the part of bankers for the improvement of agriculture and he hopes to see as many banker-farmers as possible at his Brookline farm on Monday, where they will be highly entertained and well cared for. Mr. George is almost as well known as a successful raiser of Herefords, Short Horns and Jersey cattle as he is in the Berkshire hog world. Any banker who will attend the Brookline sale on Monday will be well repaid.

The First Security Bank of Raleigh, N. D., has been incorporated by R. B. and C. E. Loubek of Raleigh and C. R. Verry of Park River. Capital \$10,000.

The Farmers State Bank, Wilsall, Mont., opened for business August 1st.

EDUCATIONAL CONFERENCE

The educational conference called by President B. F. Harris, of Champaign, met on Wednesday of this week at the Leland Hotel in Springfield. The object of the conference was to supplement the present public educational work in Illinois communities by a model law to provide for a system of agricultural, industrial and vocational schools. Representatives of a number of industrial enterprises throughout the state were present. President Harris expects to appoint a committee for the purpose of drafting a proposed bill to be presented to the legislature. The conference authorized the following statement:

"The need for vocational training in all lines for the youth is recognized as necessary in justice to those who cannot be interested or greatly benefited under the existing system, to those whose elementary education is cut short by hardships at home and to industrial development generally.

"Various methods are suggested for meeting the situation by law. The public and the active groups which compose it and mold public opinion are asked to withhold judgment until the measure which the conference plans to support can be fully presented and the reasons for the various provisions and suggestions—many of which may seem new—have been explained and the reasons for their adoption by Illinois given by those who have given months and years of study to this question."

It is believed that state aid is essential to the carrying out of such a project.

OUT OF TOWN BANKERS VISIT CHICAGO

C. C. Coan, president Clinton (Ia.) National Bank, Eugene H. Roberts, president Bank of Orleans, New Orleans, La., and George W.



CAPITAL
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ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Boyden, vice-president Farmers State Bank, Sheffield, Ill., are three out-of-town bankers who called on Chicago banking acquaintances the past week. Mr. Boyden stopped off on his way back from his vacation.

D. E. Waggoner, president of the Guaranty State Bank and Trust Company, Dallas, Texas, and Judge G. T. Turner, president of the Farmers and Merchants Bank, Vandalia, Ill., also were in the city. Mr. Turner says that there will be a bumper corn crop in southern Illinois this year.

RAILROAD INSTRUCTS IN BANKING

In the current issue of the monthly magazine issued by the Illinois Central Railroad Company employees are instructed how to start, keep and use a bank account. There are photographs of withdrawal slips, deposit slips, canceled checks, etc. It shows the value of the prestige gained from the possession of a bank account.

O. L. HISER VISITS CHICAGO

O. L. Hiser, cashier of the State Bank of Lexington, Ill., visited the financial district of Chicago on Wednesday of this week. Mr. Hiser is a candidate for the treasurership of the Illinois Bankers Association. He has been very active in group work, and, in fact, in all matters pertaining to the Illinois Bankers Association. He has been engaged in the banking business in the state for a number of years, and is well known in Illinois banking circles. Bankers will make no mistake in tendering their support to Mr. Hiser for the office of treasurer.

PRESENTED WITH GOLD WATCH

William G. Edens, assistant secretary of the Central Trust Company of Illinois, recently was presented with a gold watch and chain by his brother Knights of Pythias at their twenty-seventh biennial session held in Denver.

C. R. HIERONYMOUS GOES ON VACATION

C. R. Hieronymous, of the Harris Trust and Savings, leaves to-day for his vacation in Michigan. He expects to be away two weeks.

ANDREW COOKE RESIGNS

Andrew Cooke, vice-president of the Harris Trust and Savings Bank, Chicago, will resign his position with the bank to enter the firm of H. T. Holtz & Co., September 1st. The new firm will be known as Cooke, Holtz & Co.

NEW CHICAGO MANAGER FOR HORN- BLOWER AND WEEKS

Paul B. Skinner recently has been appointed manager of the Chicago office of Hornblower and Weeks. He succeeds Edward Clifford.



The Convention City

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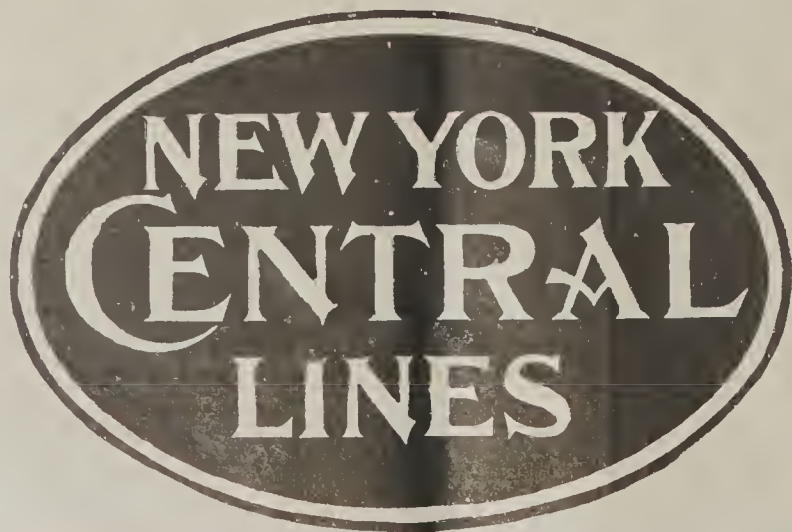
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MILWAUKEE

F. F. Johnson on Cost and Credit Accounting

The Boise expert tells the bankers at Cheyenne how to divide the sheep from the goats when it comes to balances. An interesting and instructive address

It is not my purpose to enter into an elaborate system of arriving at the cost of banking in its various departments, or an extensive system of credit information. What I am going to attempt is to convince you, if possible, that a little time spent in determining a part of the cost of working an account is well repaid by the results attained; also, that a simple system of credit files is a most valuable asset of any institution. Taking up cost accounting: Some of you are doubtless now giving time to determining costs, and you are as conversant as I am with the methods and the benefits to be derived. Some (and this is more often the case in the smaller banks) have given but little attention to this important branch of banking, believing it required an elaborate system that is too expensive to be justified by the benefits that can be attained in the smaller institutions.

I do not blame the banker for hesitating to install a cost accounting system, after having studied the elaborate systems in many of our larger banks, or having read the publications on the subject written by many of the men that have been in charge of such work. I am not going to discuss in detail any method, but only such parts as are simple and practical for all banks, large or small, hoping to make some converts. The work of cost accounting, having once begun, can be extended as each banker thinks advisable for his institution. It is a very simple matter to use voucher checks in payment of all expense items, and keep a voucher register, showing the proper segregations. Such a system will show you the various expenditures and entail but little labor.

In most banks, the overhead charge is a fixed amount within a large increase or decrease of accounts, or deposits; the clerical force is often the same. The interest rate practically is fixed and there is a constant demand for loans most of the year. In cases of this kind, the gross profit on the account, less the cost of checks, stationery, and cost of collection absorbed, is all one needs to ascertain whether the account is a desirable one.

The foundation of both your cost and your credit accounting will be a card, or some similar record, which shows the average balance for each month, the highest and lowest loan for the same period.

We will take for example John Jones' account; he is a retail merchant, deposits no items on interior points that require time and expense to collect. His account shows an average balance in bank for the past year of \$600.00. Your actual reserve has fluctuated but little and is normally 30 per cent, of which 20 per cent is in bank balances, drawing 2 per cent to 3 per cent per annum. This is practically an idle 25 per cent of the account based on 8 per cent earning capacity, and is sufficiently close for our purpose. However, if you wish to be more accurate, you should ascertain the average idle reserve for each month and figure accordingly.

John Jones' account shows a profit of \$28.50.

John Brown is a produce dealer, and his card shows the same balance, checks drawn, etc.; but we find that he deposits one hundred items per month on out-of-town points, amounting to \$2,000.00; and the time required to collect these will average three days, making a float of \$6,000.00 for one day, or an average of \$200.00, which is not available for loaning. John Brown's account shows a profit of \$9.50.

The loss of time and cost of collecting these out-of-town items in John Brown's account is ascertained by the analysis sheet. The form

we use is adopted by many banks, but we have added a place for the number of transit items which, as you see, is a direct expense to this account. In both of these accounts, we have charged back all exchange charged to us on items we have collected. We have made no charge for overhead or clerical expense, assuming that we could not reduce either even with the elimination of quite a number of accounts.

Now we will take both of these accounts and assuming that they both have good credit at the bank and can borrow as occasion arises, they figure they can get along with a smaller balance, and reduce it to \$300.00. John Jones' account shows a profit of \$10.50.

John Brown's account will show a loss of \$8.50. You still are willing to handle Jones' account, but how about Brown's?

Brown is a loyal customer of the bank, and a good business man. For that very reason, you need have no hesitancy in calling him in and showing him his card and analysis sheet. He is fair and realizes that the bank should no more work his account at a loss, than that he should sell his produce to a friend at less than cost. There is little danger of his going to your competitor as he realizes that when the time comes (which always does sooner or later) that the banks can not meet all the demands on them for loans, and you have to decide whether you will curtail the credit of Jones or Brown, you can not do otherwise than call in Brown's loan, as his account has been of no value to you. He may say that he has the money in active use, and it will entail a loss on his part to keep a larger bank balance. As his credit is good, increase his loan the \$300.00 with the understanding that he will maintain the average of \$600.00.

John Smith is a small green grocer, keeps an account that is always on the ragged edge; you believe that he is honest, industrious and solvent, and you allow his account to be overdrawn a small amount at times. His credit balance averages \$200.00; his average overdrafts, \$100.00; his checks, the same as Jones and Brown, with no out-of-town items. What does his account show? It shows a loss of \$1.50.

Now let us study the overdraft part of the account; the card shows in red ink the largest overdraft in any one month. You will find that if he was obliged to give notes to keep his account good at all times, he must borrow an average of \$200.00, and increase his average balance that amount, or to \$300.00, which will earn \$18.00; expense, \$7.50; gross profit, \$11.50; aside from this he pays you \$16.00 interest on the \$200.00 loan as against \$8.00 interest on the overdraft. Look at the difference: profit and interest \$19.50, as against a loss of \$1.50. Who can justify the allowing of overdrafts in the face of these figures, aside from the fact that it is bad practice for other reasons?

By having eliminated overhead and direct clerical expense, I do not wish to infer that this should not be taken into consideration at

all. The banker should consider his expense of doing business the same as the merchant.

The necessity of figuring the cost and earning power of the account is much more important in the case of banks carrying balances with you, as the items in transit are usually large and the item of interest paid on a fictitious balance is considerable. A study of such an account will often show where it can be made much more valuable without working any hardship on your correspondent.

I am going to give you an actual example of a bank, carrying an account with the Boise City National Bank, of Boise, Idaho. The analysis sheet for February showed a loss for the month of \$10.07. There was no charge made for handling the transit items, as we were not keeping a record of the number at that time. The loss, however, was great enough to require attention. A study of this account revealed the fact that they were sending us items that required four days to collect, and that they could just as well send most of them direct. We took the matter up with them and the result was a profit of \$2.45. Who can say that a little work in cost accounting will not be well repaid in the face of such a result?

Now a few words concerning credit accounting: The most valuable record in the bank to my thinking is the individual liability ledger. This should be kept in a form that will give exact information as to the date of payment of notes, amount owing as payer, also as guarantor on any date. This shows you whether the customer is prompt in meeting his obligations, when his needs are the largest and when the least, also whether he has the endorsement habit.

We supplement this with statements and credit reports. There is no difficulty in procuring a signed statement from the customer the first time he asks for credit, and follow this by taking statements from time to time, and entering them on the comparison sheet. This gives you valuable information as to whether the customer is gaining, or going behind. We check these with the Mercantile and Credit Men's Association reports. All of this data is properly filed.

We will now return to John Jones' card, which already has his average balance for each month in the year. From the individual liability ledger, we enter his highest and lowest borrowing each month, and on the reverse side a summary of the information in the credit file. This shows first that Jones is entitled to more credit than he ever has asked; also, that his borrowings begin in November and are cleaned up, one-third in February, another third in April and the balance in June.

John Brown's card shows him entitled to the same credit as Jones; but his borrowing is from March to August, being the highest in May and June. Your bank has lowest deposits at that time and the heaviest demands, and Brown's borrowings coming when your demands are the greatest, is another reason why this account is not as valuable as Jones', who borrows when your demands are the least. In this instance, the credit and cost accounting work together to the same end; namely, the knowledge of the time of the borrowings of your customer enables you to work to the end of the balancing of your business over the year. A steady demand at local rates will earn more than a heavy demand for six months, and large idle reserves the remaining six months.

(Continued on page 21)

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"There is not a flaw in the outlook for the Central West," said President J. D. Dominick, of the Traders National, Kansas City, to a representative of THE CHICAGO BANKER. "The rains have been abundant and timely. During the wheat harvest and threshing season the weather was ideal. When that crop was out of the way the rains came to mature the corn. The supply of all kinds of food stuffs for stock is plentiful and in addition to having splendid crops for direct marketing, the farmers of this part of the country will have the best opportunity in years to feed stock next fall and winter. Naturally the bankers are watching conditions closely. So far as I can learn no part of this territory has suffered for lack of sufficient moisture. The demand for money for fall business is good, with satisfactory rates, and I believe I am safe in saying that banking conditions are normal. We have weathered the disasters of several years of poor crops. The failures have been few. Merchants did splendidly under somewhat discouraging conditions. But they have come through in good shape. The Central West is smiling to-day."

Nebraska Guaranty Law

An interesting and authoritative discussion of the workings of the Nebraska guaranty law is contained in a letter sent out by V. B. Caldwell, vice-president of the United States National of Omaha in response to an inquiry of a banker of Seattle. Part of this letter follows: "The guaranty law in this state seems not to have changed prior conditions. The national banks in the state cannot trace any appreciable loss of business to the guaranty law and up to the present time the law has not been in any way detrimental to the general banking business. Personally, I am opposed to such a law. The law has not been in operation long enough to really test its efficacy. One reason for its apparent success here is that banking conditions in this state are unusually sound and that banking ability throughout the state is far above the average. Before the depository law we had an excellent state banking law and had then, and have now, a most excellent department. That the measure has not operated to the disadvantage of legitimate banking is almost entirely due to the efficacy of the state banking board, good banking laws, close supervision and the general excellent feeling prevailing between the state banks and the state banking department. The department has never in any way been mixed up in politics or used its influence to discriminate between state and national banks. Operating under these almost ideal conditions it will be a long time before a really valuable opinion can be expressed as to the results of the law. It has not served here as a cloak for speculative or

impractical bankers, a condition due to the banking department. The law imposes an unjust and burdensome expense upon good bankers. Theoretically and in principle it is absolutely unjust. In this state it is not working out to the disadvantage of general banking conditions because of the care exercised by the state banking board and because of the intelligence and generally high character of the state bankers. This looks like a wishy-washy opinion, but I believe it fairly represents the conditions here—a bad law, but in its practical application working out better than any of its opponents anticipated."

Arthur E. Stilwell Resigns

The long expected resignation of Arthur E. Stilwell as president and director of the United States and Mexican Trust Company of Kansas City and New York was announced last week. Ill health, with which he has been suffering for some time, was given by Mr. Stilwell as the reason for his resignation. He contemplates a long trip in Europe. E. Quincy Smith, first vice-president, was elected to succeed Mr. Stilwell. In connection with this news is a petition filed in the federal courts of Kansas, Missouri and Oklahoma by the United States and Mexican Trust Company asking for the sale of the Kansas City, Mexico and Orient Railroad. According to the petition, the United States and Mexican Trust Company is trustee for the first mortgages on the railroad to the amount of \$24,538,000. The trust company says it believes the railway company will not be able to meet its obligations and asks permission of the courts to foreclose.

George W. Post Retires from Active Business

On account of failing health George W. Post, for forty years a banker and capitalist of York county, Neb., has decided to retire from active business and has disposed of his financial holdings to C. A. McCloud and stockholders of the Farmers National Bank of York, Neb. Mr. Post was heavily interested in the Farmers National of York, the First National of York, the First Trust Company of York, the First National of Bradshaw, the First National of Benedict, Neb.; Farmers and Traders Bank of Waco, Neb.; the Bank of Lushton, Neb.; the Blue River Bank of McCool, Neb., and the Bank of Thayer of Thayer, Neb. The two banks of York will consolidate as the First National Bank of York, making it one of the strongest financial institutions in Nebraska. The capital, surplus and undivided profits will be \$350,000. All of the old officers of the First National will remain with the new organization except Mr. Post. C. A. McCloud will be the new president. The new bank building now in the course of construction by the Farmers Na-

tional will be occupied by the consolidated institution. The career of Mr. Post and his wife is one of the interesting prairie romances of the West. Coming to Nebraska forty years ago without other capital than youth and determination, they became identified with every important development in their part of Nebraska. Mr. Post is to-day one of the largest land owners in his part of the state.

Will Investigate Rural Credit Systems of Europe

Agriculturalists and bankers of the Central West are becoming deeply interested in the rural credit systems of Europe which are said to have done so much to aid financially the farm producers abroad. Readers of THE CHICAGO BANKER are doubtless familiar with what are termed the Raiffeisen, Shultze, Delitzsch and German Landshaften methods. The theory of all is that if a group of persons combined to furnish a collective guarantee the group may obtain money at lower rates of interest than they could individually. The advantages of the banks organized under these various heads are found in bringing to the agricultural communities the credit facilities which are enjoyed by advanced commercialism, their advocates say. The special benefits are found in mutuality of interest and complete co-operation which brings together the commune or parish under each separate bank and impresses the advantage of the unity of endeavor which characterizes the district working under each of these systems. A special commission of seventeen members will leave for Europe next May and spend about two months in the study of these systems and the advisability of recommending them as a solution of the rural financial problems of the United States. The members of the commission have been appointed by the Southern Commercial Congress and their names follow: Harvie Jordan, chairman, Atlanta, Ga.; J. C. Haas, Montgomery, Ala.; C. R. Breckenridge, Fort Smith, Ark.; J. J. Vernon, Gainesville, Fla.; J. W. Newman, Frankfort, Ky.; Harry McEnery, New Orleans, La.; Harry S. Stabler, Baltimore, Md.; Charles Scott, Rosedale, Miss.; Charles H. Raiffeisen, Sedalia, Mo.; D. H. Hill, West Raleigh, N. C.; Benjamin Hennessey, Oklahoma City, Okla.; S. C. Mitchell, Columbia, S. C.; Frank C. Watts, St. Louis, Mo.; Edwin Chamberlain, San Antonio, Tex.; Charles G. Maphis, Charlottesville, Va.; J. H. Stewart, Morgantown, W. Va.; and O. B. Martin, Washington, D. C.

Central West Notes

A charter has been applied for by the business men of the Turner and Argentine districts, Kansas, suburbs of Kansas City, Mo.,

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J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
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for a bank in Turner. The incorporators are C. W. Green, president of the First State Bank of Argentine; F. A. Bracken, cashier of the First State Bank of Argentine; C. S. Wilson, A. S. Jasper and R. H. Perkins of Turner.

J. W. Hoopes, vice-president of the Austin National Bank and secretary of the Texas Bankers Association, has been elected vice-president and cashier of the City National Bank of Galveston, succeeding the late S. T. Hanson.

Application has been made for a charter by the newly organized Lumbermans Security and Trust Company of Waco, Tex. It will be incorporated for \$100,000, this sum to be increased every ten months by amending the charter until the capitalization shall have totaled \$500,000. All the stock has been taken. The incorporators are W. W. Cameron, E. R. Bolton, W. J. Neale, E. W. Marshall, E. Rotan, S. M. McAshan, H. M. Minier, W. W. Pryor, R. J. Tolson, W. T. Abernathy, Ben G. Kendall, W. A. Webb, C. M. Hubby, Albert T. Clifton and J. W. Bass.

A. L. Schrantz, for many years prominent in Omaha commercial circles, has been elected president of the Omaha State Bank which will be established in that city about October 1st in the Oscar Keeline Building now in course of construction at Seventeenth and Harney Streets.

The doors of the Bank of Midland, Ark., were closed last Thursday ostensibly on account of the funeral of a relative of the president, H. L. Cunningham, and have not since been reopened. The present whereabouts of Cunningham is not known and it is reported that authorities will investigate the bank's affairs.

F. T. Ransom, president of the Union Stock Yards National Bank of Wichita, Kan., has been removed to his home from the Wichita Hospital, where he remained eleven weeks. He was operated upon for appendicitis. Other complications resulted which made his recovery slow, but his physicians say that he will be able to resume his duties at the bank within a short time.

The Farmers State Bank has been organized at Waukomis, Okla., with a capital of \$15,000. A. P. Wilcox, cashier of the Garfield State Exchange Bank of Enid, is president and E. A. Pendarvis, former assistant cashier of the Garfield State Exchange Bank, is cashier.

Emerson Elgin, for several years cashier of the Lincoln Center Bank, Lincoln, Kan., has resigned on account of ill health. His position will be filled by Elias Rees.

A. W. Squires, formerly of Windsor, Mo., has announced that he will establish a suburban bank in Kansas City. No details of the new institution have been made public beyond the fact that it will be located in the South Side.

The contract has been let by the First National Bank of Chickasha, Okla., for the construction of a five-story office building in which the bank will have commodious quarters.

The following reserve agents have been authorized by the Texas banking department: For the Kenney State Bank, of Kenney, the

First National of Galveston and the Hanover National of New York; for the State Bank and Trust Company, San Antonio, the National Bank of Commerce, Houston; for the First State, Ladonia, the Farmers and Merchants State of Waco; for the Guadalupe Valley Bank, Centerpoint, the City National of San Antonio; for the Texas State of Fort Worth, the South Texas Commercial National of Houston; for the Guaranty State of Fairfield, the Rosebud State, Rosebud, the First State of Kerrville, the First National of Houston and the Commercial Guaranty State of Nacogdoches; for the Edinburg State of Edinburg, the Central Texas Exchange National of Waco.

The following visitors were in the Kansas City financial district last week: M. F. Courtney, president of the Farmers State Bank at Chickasha, Okla.; G. A. Vant, president of the Stockyards Bank, South St. Joseph, Mo.; E. R. Moses, president of the Citizens National, Great Bend, Kan.; W. T. Allen, president of the Allen County Bank, Erie, Kan.; Herbert Miller, president of the State Bank of Admire, Admire, Kan.; J. F. Morse president of the Phillips County Bank, Phillipsburg, Kan.; G. W. Robinson, president of the Security State, Wichita, Kan.; J. S. Corley, president of the Bank of Nevada, Nevada, Mo.; M. N. Overhall, vice-president of the Stock Exchange Bank, Caldwell, Kan.; Robert N. Thomas, cashier of the Greenfield State, Greenfield, Okla., and A. L. Ernst, cashier of the Eufaula (Okla.) National.

The Dallas (Tex.) Chapter of the American Institute of Banking opened its fall and winter series of meetings the night of August 9th. More than one hundred clerks and other subordinate employees of Dallas banks met in the club rooms over the First State Bank of Dallas to hear the first lecture in the scheduled course on "The Theory and Practice of Banking." A talk on "Bank Credits" was given by J. Howard Ardrey and "Transit Work in a City Bank" was discussed by J. D. Gillespie.

F. F. JOHNSON ON COST AND CREDIT ACCOUNTING

(Continued from page 19)

I am not going into the analysis of statements and the conclusions to be drawn from the complication on the two sides of the cards. If you will take the trouble to procure the information for your institution, you will find that with your knowledge of local conditions, the study of the relation of accounts to those conditions is most interesting.

While on the subject of credit accounting, let me mention two important matters. In loaning to corporations, it is very necessary to know that the officers signing the notes have proper authority, and we have a form of resolution for that purpose. It also is necessary, when loaning against collateral security, either to have the proper form of collateral note, or preferably a collateral agreement.

The Boise City National Bank is indebted to Mr. Martindale, president of the Chemical National Bank, of New York City, for much valuable information when we recently revised our firm and corporation statement blank. Our live-stock blank we worked out from our experience with such accounts in years past. We shall be only too glad to mail a set of the blanks we use to any banker requesting the same.

The subject of credits and the necessity of procuring and keeping credit information has been under discussion at bankers' conventions and group meetings for many years. Giving attention to the costs of banking, although more recent, now is attracting the attention of bankers very generally.

Chas. C. Staiti delivered a valuable and interesting address on the subject of, "What it Costs to Conduct the Business of Banking," before the Louisiana bankers convention at their meeting in 1911. I have found that our correspondents in the larger cities are ever willing to give information and assistance to us if desired.

Do not let me give the impression from the foregoing that it always is advisable to eliminate the account which shows a loss. The progressive banker always is desirous of increasing the number of his depositors, if for no other reason than that a satisfied depositor is the best business getter a bank can have. On the other hand, we all have accounts that never will be of any value to the bank until the customer has been educated as to the cost of working accounts. In the majority of such cases, the presentation of the actual figures will convince him of the desirability of making the account of value to the banker.

As I stated in the beginning, I have not attempted in this paper to go into a lengthy discussion of the details of cost and credit accounting, but rather by a few simple examples, to convince some of you at least that the results will warrant the labor entailed, thereby hoping to arouse interest in the subject. Once begun, you will find the study and application of the subject to your individual needs most interesting; and in the opinion of a rapidly increasing number of bankers, profitable.

The National Bank of Batesville, Ark., has been placed in voluntary liquidation. It has been consolidated with the First National of Batesville.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

F. A. Samels, cashier of the Dakota County State Bank of Lakeville, Minn., will start a bank at Lake Street and Bloomington Avenue, Minneapolis, where he recently leased property for 99 years. This is one of the outlying business districts of the city and it is without banking facilities at this time. St. Paul traffic to Minneapolis and traffic from Minneapolis to St. Paul, goes past the corner and there has been considerable building up in a business way in the past few years. Mr. Samels has not yet decided upon the name of the bank or the capitalization but it will probably be a \$50,000 state bank.

Bank Stock Well Up

St. Paul has had a strong market this past week for bank stocks, and in Minneapolis, where advances were noted a week ago, there have been still further advances this past week. The second advance carried Security National up five points more to \$450 a share, First National held steady at \$285, Northwestern National was higher by one point at \$284, and someone thought well enough of Scandinavian-American National to bid \$136 for it, which is \$4 more than the former high bid.

Money Rates Higher

Money rates are higher. J. S. Pomeroy, cashier of the Security National, Minneapolis, said that he expects some further slight advance later on but no high rates. Five and a half to 6 per cent are current figures heard, with the usual lower rates for the very choice paper.

Signs of Prosperity

St. Paul, which is a labor supply center of importance, is concerned over the demand for men and scarcity of those seeking work. J. H. Wilson, in charge of the state free employment bureau, says the men are not to be had. Meanwhile, both St. Paul and Minneapolis are filled with talk of coming car shortage, coming scarcity of coal, and coming rush of grain that is going to swamp the markets.

"I think these things will come but they are prosperity signs," said E. W. Decker, president of the Northwestern National. Of the general outlook for money, President F. A. Chamberlain of the Security National, Minneapolis, and President D. S. Culver of the National German-American, St. Paul, are of the opinion that there will be money enough to go around without any unreasonably high rates and the First National, Minneapolis, makes the same report, although Vice-President George F. Orde says the first evidences of a strong money demand are already at hand and rates are certain to hold very firm.

Did Not Elect Successor to George C. Power

That the Second National, St. Paul, would name a successor to the late president, George C. Power, was the expectation when the directors met Wednesday last, and that P. M. Kerst, former state bank examiner, would be the man was rumor. The directors adjourned without action.

Will Speak at A. B. A. Convention

President George E. Vincent of the University of Minnesota will be a principal speaker at the American Bankers convention in Detroit, August 9th to 14th, if President William Livingstone of the association can bring it about, for not only has Mr. Livingstone written asking Dr. Vincent to come but he has also written letters to prominent Minneapolis and St. Paul bankers who know Dr. Vincent, asking that they talk to him personally and urge that he arrange his plans so that he can attend.

H. M. Rubey Escapes from Burning Launch

It remained for H. M. Rubey, a banker from Macon, Mo., who is spending his ninth summer vacation at Lake Minnetonka, near Minneapolis, to furnish some banking news of the week, for Mr. Rubey was asleep in his \$10,000 launch when fire broke out and totally destroyed the boat. Mr. Rubey got into a small boat and managed to reach shore but the launch, which was a four cabin 60-foot boat in which he had

cruised on the St. Lawrence, the Great Lakes, and down the Atlantic coast, burned to the water's edge and then broke into two sections and sank.

Northwest Banking Notes

No successor has yet been elected to the place made vacant on the board of directors of the Security National Bank by the recent death of H. C. Akeley. The Akeley will matter which has been in the public prints for the past ten days is likely to be amicably settled between Mrs. Akeley and her step-daughter, Mrs. J. Park Quirk of Chicago.

St. Paul has been flooded with bad checks this past week. Four prominent downtown retail establishments cashed them. The names signed to them are E. R. Baker and Charles G. Snow. The police believe it is the same man.

Charles D. Brown, head of the protective department of the Minnesota Bankers Association, is making a thorough inspection of the Northwest with the idea of preventing the yeggmen that will probably come into the Northwest with the many harvest hands now moving this way, from getting into any of the country banks. Mr. Brown believes that the yeggmen will find it hard to operate this year.

Sixteen New Banks Started

As indication of the steady growth and development of North Dakota is shown in the sixteen new banks incorporated with Secretary of State Norton in the past sixty days. Grand Forks Banks report that these institutions all give excellent promise as they are nearly all in good territory along new railway lines.

The following are located along the line of the new Soo extension from Fordville to Drake: First State Bank, Fillmore, Benson county; Lambs Bank, Whitman, Nelson county; State Bank of Baker, Baker, Benson county; Regan State Bank, Regan, Burleigh county; Harlow State Bank, Harlow, Benson county; Southam State Bank, Southam, Ramsey county. Along the Great Northern cut-

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off into Minot are the following: State Bank of Brantford, Brantford, Eddy county; Security State Bank of Pillsbury, Pillsbury, Barnes county; State Bank of Revere, Revere, Griggs county; First State Bank of Juanita, Juanita, Foster county; First State Bank, Glenfield, Foster county; Citizens State Bank of Sutton, Sutton, Griggs county; Security State Bank of Brantford, Eddy county. In addition the Security State Bank of Benedict, Benedict, McLean county; First State Bank, Lincoln, Sheridan county, and the First State Bank of Manning, Manning, Dunn county, are located in other parts of the state.

Great Growth of State Bank Business Displayed

An indication of the rapid growth of banking wealth in Minnesota in fifteen years is furnished by the annual report of Kelsey S. Chase, superintendent of banks, wherein it appears that the combined capital and surplus of the state banks to-day almost equal their total deposits in 1897. To illustrate the expansion of the banking business in the state Mr. Chase has had prepared a comparative summary for the five-year periods beginning with 1897 and including 1912. Significant are the comparisons of the item of overdrafts, which have not grown nearly as rapidly as the loans, and the increase in surplus, which has grown much more rapidly than the increase of capital, both items, according to Mr. Chase, indicating better banking methods.

Bankers Will Help

On Thursday the special committee selected by the state bankers association at the Belle Fourche meeting will meet at Brookings for the purpose of taking the initial steps to better agricultural work in this state. The board of regents will meet with the committee and several members of the faculty of the agricultural college will be called into the conference for suggestions. Mayor Hitchcock of this city, president of the board of regents, and several members of the committee will attend a similar meeting of bankers in Minneapolis.

PYTHIANS IN DENVER

A family reunion of the special Pythian De Luxe train party from Chicago over the Rock Island Lines was held at Colonial Station, Albany terminal, Denver, on August 8th at 1 p. m. The menu folder issued for the occasion by the Albany Hotel consisted of the words of popular songs, and also some verse entitled "Part of Poet Porterfield's Poem," or "What This Train Did to an Iowa Man." It tells of the trip of the special train to the twenty-seventh biennial session of the order, arranged for by William G. Edens. There also were attached to the folder two very attractive souvenir post cards.

The comptroller has issued a charter to the First National Bank of Gregory, Tex., capital \$25,000, to succeed the Taft Ranch Bank of Gregory.

Salt Lake Plans

American Institute of Banking will hold its tenth annual convention at Salt Lake City, August 21st to 23d. On Wednesday morning the 21st invocation will be delivered by the Rev. P. A. Simpkins. Addresses of welcome will be made on behalf of the state by Governor William Spry; on behalf of the city by Mayor Samuel C. Park. The Hon. W. S. McCormick, president McCormick & Co., will represent the bankers in welcoming the delegates. The response will be made by Carroll Pierce, chairman of the executive council of the Institute. Secretary Farnsworth will extend greetings on behalf of the American Bankers Association, and will be followed by the annual address of Raymond B. Cox, president of the Institute. Reports then will be heard from Carroll Pierce, chairman of the executive council; A. C. Dorris, secretary of the Institute, and C. S. Diether, treasurer.

At the afternoon session on Wednesday, Judge Edward F. Colburn of Salt Lake City will speak on the mining industry of the West; the Hon. Duncan McKinlay, surveyor of customs, San Francisco, will deliver an address on "The Old West and the New," and James K. Lynch, vice-president of the First National of San Francisco, will speak on the banking possibilities of that section of the country.

Thursday morning a discussion of the numerical transit system will be led by O. Howard Wolfe, secretary of the clearing house section of the A. B. A. The paper winning first prize offered by the clearing house section of the American Bankers Association on a system for analysis of incoming transit items described by number instead of name, then will be read, after which there will be a dis-

cussion of the extension and development of the clearing house system, led by Jerome Thralls, manager of the Kansas City Clearing House Association.

Friday morning the Hon. W. E. Borah, United States senator from Idaho, will deliver an address on the control of industrial combinations engaged in interstate commerce. Dr. David Starr Jordan, president Leland Stanford, Jr., University, will talk on "International Peace as a Factor in the Development of American Banking Power." Friday afternoon there will be reports of committees, election of officers and the choosing of the next convention city.

Quite an elaborate program of entertainment has been provided for the occasion. The first day there will be an organ recital at 12:15 p. m. and a trip to Emmigration Canyon for the ladies at 4 o'clock. A smoker will be held at the Commercial Club in the evening. Thursday there will be a trip to Saltair Beach, luncheon in Ship Café and dancing in the pavilion in the evening. On Friday the ladies will be driven around the city in sight-seeing automobiles. In the evening there will be a reception at the Hotel Utah for both ladies and gentlemen, and on Saturday, the 24th, a trip will be made to Bingham and Garfield, returning at 4:30 p. m.

H. J. Dreher, manager of the bond department Marshall and Ilsley Bank, Milwaukee, and chairman of the program committee, is to be congratulated for having provided such an attractive program. It is expected that the sessions will be largely attended and a most enjoyable time had by all participating.

OREGON CROP PROSPECTS

Portland.—Crop prospects in every section of Oregon and in every line of agriculture were never better than they are this year. It has been a bumper season all around. The wheat crop of Oregon will amount to about 18,000,000 bushels. The yield will be a record one in Umatilla, Wallowa, Baker, Wasco, Sherman, Union and Gilliam counties, the latter county estimating a crop of 4,000,000 bushels. The apple crop of Hood River is estimated at 800,000 boxes, and in the valley apples will yield heavier than for years. The total value of all fruits is placed at more than \$6,500,000. The potato yield, which is enormous, will, even on a lower market, bring the farmers close to \$1,500,000, and the onion and root crops will add materially to this sum. The hop crop is going to be a great one, on the acreage, and at the present market price will give the farmers \$2,200,000, all of it money brought from outside the state. The value of the wool and mohair clips exceeds \$8,000,000.

FORT WAYNE BANK TO HAVE NEW BUILDING

Hamilton National Bank of Fort Wayne, Ind., is contemplating the erection of a twelve-story bank building in the near future. Charles McCulloch is president of the bank.

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Seattle

Seattle.—R. G. Dun & Co. have made an exhaustive trade review of local conditions. This report says: There were only sixty failures in Seattle during the first six months compared with ninety-six during the same period of 1911. The liabilities in 1912 amounted to only \$512,822 compared with \$1,932,919 during the first six months in 1911. Coastwise flour and foreign exports during the first six months were more than double those in 1911, and the foreign lumber trade showed an increase of 6,000,000 feet. The business report issued a year ago by Dun & Co. indicated in many instances a falling off in trade. The 1912 report, based on a large number of reports received from many firms in all the different lines of trade are different. Increases are reported from every important line, and nearly all report that prospects are exceptionally good. In addition to summarizing conditions in Seattle, Portland and Spokane, Dun & Co. have made a careful study of conditions throughout the three Northwestern states. Their report shows that not only a record-breaking cereal crop will be harvested, but that the fruit, wool, and hop crops will be larger than last year's, and that the lumber business is in excellent condition.

PREDICTS PERIOD OF PLENTY

George H. Prince, vice-president of the Merchants National Bank, St. Paul, has returned after an absence since last June. Mr. Prince spent much of his time motoring in Washington, Oregon and California. "It is a wonderful and a rich country, and next to our own Northwest it is the best I ever saw," said Mr. Prince. "The prosperity of the Northwest extends to the coast. The crop situation is good everywhere, and there are no dry spots like those in 1911. Never have I seen the financial situation of the country and the Northwest so good as now. We are certainly on the eve of one of the most prosperous periods in the history of the country, and I believe it will last for a long time."

AN UNDEVELOPED WHEAT AREA

The National Copper Bank of Salt Lake City, Utah, in its trade and finance letter says:

"As usual during the last year, whatever good indications exist seem to be intensified in the much-favored intermountain West. Winter wheat could scarcely be better, a statement that might with almost equal truth be made of every crop. Fruit in particular will make an unusual gain, the surplus for shipment being estimated at more than 100 per cent greater than in 1911. A healthy interest is being shown in mining development, and the activity of the regular producers is very gratifying. Perhaps none of the 'straws' indicate the general feeling of prosperity more plainly than the fact that the number of automobile licenses being granted by the secretary of state is much larger than in 1911."

"It is perhaps not generally realized that one of the largest undeveloped wheat areas in the United States centers about Salt Lake City. In Utah alone there are probably 15,000,000 acres of land now unused whose soil and climatic characteristics make wheat a natural crop. In southern Idaho there are 10,000,000,

in Nevada another 10,000,000, and in southwestern Wyoming perhaps 3,000,000 more. These totals, while necessarily approximations, are as nearly correct as careful checking with fairly accurate data can make them, and are known to be under rather than over the mark. Out of this sum of 38,000,000 acres less than 700,000 are now in wheat. The total available area is nearly equal to the entire present wheat acreage of the United States.

"The unusual crop to be harvested by the intermountain states this year calls attention to and lays heavy emphasis upon the desirability of more adequate marketing arrangements."

Los Angeles

Los Angeles, Cal.—By vote of the national banks belonging to the Los Angeles clearing house a resolution was put into effect Monday morning under which interest will be paid by the banks on time deposits. The resolution states that the action is taken because of an abnormal increase in the deposits of the savings banks and trust companies of Los Angeles in comparison with the increase of the deposits of the economical banks, and that because of the growing custom of the commercial banks in the East to pay interest, the customers of banks expect interest on certain kinds of deposits. As a result the clearing house banks of Los Angeles will issue certificates of deposit payable 90 days after date, with interest at the rate of 3 per cent and payable six months after date, with interest at the rate of 4 per cent; or, if preferred by depositors, will issue time deposit books bearing interest at the rate of 3 per cent per annum on deposits left for a period of three months, and at the rate of 4 per cent per annum on deposits left for six months.

DEAN OF CONNECTICUT BANK PRESIDENTS

Charles B. Hallett, the oldest bank president in Connecticut, died at his home in Winsted, last week, aged ninety years. He was president of the Mechanics Savings Bank and a director of the First National Bank in Winsted, and was formerly a leather merchant. He had also served as a member of the board of assessors and board of relief for many years. He was born at Nantucket.

The State Bank of Three Lakes, Wisconsin, has been incorporated with a capital of \$10,000.

San Francisco

Transfer of the ownership and control of the San Francisco waterfront from the State of California to the municipal government is urged in a resolution adopted by the directors of the Chamber of Commerce and made public to-day. The chamber maintains that San Francisco is seriously handicapped in the maintenance and development of its waterfront by reason of the fact that bonds for needed improvements can be issued only after the projected work has been passed upon by the legislature and subsequently submitted to a vote of the people of the entire state at a general election. This results in a delay of many months between the time when important new work is projected and the time when the bonds are issued and actual work commenced. It also necessitates a state-wide campaign every time San Francisco desires funds to develop its waterfront to keep up with the demands of its rapidly growing foreign trade. Despite the fact that both interest and principal on bond issues for this purpose are payable out of the revenues of the port, derived from dockage charges, the country voter has each time to be convinced that he is not voting to tax himself for the benefit of San Francisco. A strong letter will go out from the San Francisco Chamber of Commerce this week asking the support of the business organizations of the state in securing for San Francisco the same right to self-government and initiative which is enjoyed by the other municipalities, and it is confidently expected that the business men of California will admit the justice of the contention and come to the assistance of the chamber in its fight to take the waterfront out of state politics and provide for its control by and for the people of San Francisco.

CLEVER BANK SWINDLER CAUGHT

San Francisco.—An important arrest was made at Ukiah recently when Sheriff Byrne, acting on instructions from San Francisco, apprehended John A. Butler, alias Thompson, wanted in many cities throughout the state for forgery. Butler, who has many aliases, made it a practice to forge the signature of local bank cashiers to drafts calling for amounts ranging from \$50 to \$200, wire to some bank in Sacramento, San Jose or other city, in the name of the cashier of the local bank, to honor such draft and waive identification, go to the city he had wired to, step into the bank, present his draft and blandly remark that he presumed the cashier of the San Francisco bank had sent advance information that the draft was all right. He looked like a prosperous man, talked well, was self-possessed, and in most cases got the money. Butler also represented himself as publicity man for the St. Francis Hotel, and in at least one instance secured money by writing a letter directed to himself care of a Sacramento bank. In this letter he placed a forged draft and signed the letter "James Woods." He called at the bank, said he was publicity man for the St. Francis, asked for the letter, took out the draft, presented it, at the same time showing the letter, and walked out in a dignified manner \$50 the richer. He was caught in the act of cashing a forged draft with the Bank of Ukiah and the case against him there is very strong.



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Assistant Cashiers

EDMONTON NEWS

Edmonton, Alberta, August 12th.—Batteries of cutting machines are extended in far-flung lines in the southern part of the province of Alberta, and, according to Duncan Marshall, minister of agriculture, who has just returned to Edmonton from a tour of inspection, the harvest will be in full sway in a few days throughout the province. Wheat, barley, oats and other grains and alfalfa and timothy are from two to three weeks ahead of last year, and it is expected that the returns will be proportionately larger. Ten thousand men will be required to harvest the crops.

The statistical bureau of the provincial department of agriculture, has compiled the following figures regarding the crops and acreages from the reports of 800 correspondents throughout Alberta: Winter wheat, 127,200 acres; spring wheat, 855,000 acres; oats, 1,196,000 acres; barley, 262,000 acres; flax, 96,050 acres; rye, 17,725 acres; timothy, 51,435 acres and alfalfa 51,435 acres; total area under crop, 2,616,380 acres. In addition, more than 350,000 are devoted to mixed crops, including vegetables.

The figures for 1911, which were delayed on account of the difficulty encountered in getting the crop threshed, were given out by the department of agriculture on August 12th, as follows:

Winter wheat, 243,400 acres, 5,000,000 bushels; average, 20.5 bushels; spring wheat, 805,000 acres, 17,000,000 bushels; average, 21.1 bushels; oats, 1,000,000 acres, 30,000,000 bushels; average, 30 bushels; barley, 165,000 acres, 4,500,000 bushels, average, 37.3 bushels; flax, 55,000 acres, 330,000 bushels; average, 6 bushels; rye, 16,000 acres, 320,000 bushels; average, 20 bushels.

Ten Millions for Improvements

More than \$10,000,000 will be expended in civic improvements and betterments in Edmonton during 1913 according to a program of development outlined by the board of commissioners. One million dollars, of which \$250,000 is for sites, will be expended for school purposes. Twelve buildings, with 76 rooms, will be erected. Edmonton's total assessment, upon which it has borrowing power, is at this time \$110,194,300. Against this it has borrowed \$5,479,967, leaving in reserve \$16,558,893. The total bonded indebtedness of the city is \$12,040,000, of which \$6,560,033 is represented by local improvement debentures, secured by special assessment. The city has the right to borrow 20 per cent of the assessment for general civic purposes. By-laws involving \$743,140 will be submitted to the ratepayer for authorization the latter part of the month. One of the items is a gas plant, estimated to cost \$699,827.

Prosperity of Western Canada

Thomas Hilliard, president and managing director of the Dominion Life Assurance Company of Waterloo, Ont., which has invested more than \$2,000,000 in first mortgages in western Canada and \$250,000 in Edmonton, said in an interview here that the company has not lost a dollar in the prairie provinces, adding: "I advised our directors in 1893 to put every dollar they could into western Canada, which was in need of the money and willing to pay a good price for it. I feel that the position I took then has been amply justified. That the people of western Canada are enjoying an almost universal prosperity is illustrated by the fact that with the exception of two small loans in the eastern part of Saskatchewan, none of the borrowers from the company is seriously in arrears. That is, there are no loans on which interest is due from an earlier date than January 1, 1912."

Loans to Farmers

Kingman N. Robins, of Rochester, N. Y., who has loaned more money on farm lands in the province of Alberta than any other individual, is

in Edmonton planning to arrange channels for the investment of a large amount of capital in small loans to farmers and men who have homesteaded lands north, east and west of Edmonton. He considers a fair percentage of the present value of a patented homestead in Alberta to be a good enough first mortgage for any proportionate loan. He loans to build and to buy the machines for cultivating and harvesting the crops of the prairies. Heretofore the comparatively few homesteads in the northern part of the province for which patents have been granted have prevented Mr. Robins operating to any extent in the Edmonton district.

Colorado Convention

Colorado bankers will hold their eleventh annual convention in Pueblo, August 19th and 20th. Headquarters and assembly room will be in the Congress Hotel. The session the first day will be called to order by President Frank N. Briggs, president Interstate Savings Bank, Denver. Invocation will be offered by the Rev. J. Arthur Jeffers. The Hon. Alva Adams, president of the Pueblo Savings and Trust Company, will deliver the address of welcome and the response will be made by the Hon. John W. Springer, president of the Continental Trust Company, Denver. After the annual address by the president reports will be heard from the treasurer, secretary, legislative committee, protective committee and the committee on agricultural development and education, after which new committees will be appointed.

At three o'clock the state bank section will meet and will be called to order by Chairman John E. Hesse, president of the Hibernian Trust Company, Denver. After the annual address of the chairman, Secretary Paul Hardey will make his report, which will be followed by consideration of the state banking law. Immediately after the adjournment of the state bank section the different groups will hold their annual meetings, presided over respectively by the group chairmen, at which time group officers for the ensuing year will be elected, also a member of the nominating committee from each group. There will be an evening session, at which time the Hon. Charles G. Dawes, ex-comptroller of the currency and president of the Central Trust Company of Illinois, will talk on investments and their philosophy. Detective Burns then ad-

dress the bankers on the subject of bank protection.

On Tuesday there will be an automobile ride throughout the city and delegates will be enabled to visit the steel works. Papers will be read on the public utilities law, rehabilitation of irrigation securities and "The Banker and Corporation Stock Issues," by Messrs. Henry Cohen, M. M. Schayer and J. B. Geijsbeek. There will be an open discussion, free to all members and limited to five minutes, after each of these papers. Col. James A. Lockhart will deliver an address on the possibilities of Southern Colorado. After reports from the state bank section and the A. I. B. section a recess will be taken until 2:30 o'clock.

At 12:30 P. M. a buffalo barbecue will be held at the Mineral Palace, after which prizes will be offered aggregating \$800 in value. In the afternoon the Hon. Robert W. Bonyngue will deliver an address, after which miscellaneous business will be attended to and officers elected for the ensuing year. Immediately after adjournment a meeting of those who are members of the American Bankers Association will be held, which will be presided over by C. C. Parks, vice-president of the A. B. A. from Colorado. At this meeting a vice-president for the ensuing year and a member of the nominating committee of the A. B. A. for the convention to be held in Detroit will be elected. In the evening a grand ball will be held in the Congress Hotel.

BANK REORGANIZATION FAILS

Alleged irregularities which are said to have wrecked the First National Bank of Rowlesburg, W. Va., have been referred to Attorney-General Wickersham by Comptroller of the Currency Murray for investigation. Mr. Murray has been advised by Receiver Hiatt that the effort of the shareholders to reorganize the institution had failed, but probably a new bank would be formed.

The comptroller declared the discovery of the bank's condition showed the advantage of co-operation between the national and state banking authorities. About ten days ago, Mr. Murray said that a state bank examiner informed him of a relationship he had found existing between the First National Bank of Rowlesburg and a state institution. This excited the comptroller's suspicion and a special examination was ordered.

BANK SWINDLER HAS NEW SCHEME

Ukiah, Cal.—A man giving his name as A. G. Lane called at the First National Bank at Fort Bragg and presented a telegram from a San Francisco bank showing that \$75 had been deposited in the city bank to his credit with orders to recognize the telegram for that amount. The \$75 was handed out to Lane by the cashier shortly before the noon hour. After the cashier had gone to lunch, Lane appeared again and, showing another telegram to the president of the bank, who was on duty, received \$75 more.

NEW JERSEY BANK ORGANIZED

Ventnor's (N. J.) first bank, to be known as the Ventnor City National Bank, has been organized with a capital of \$25,000 and a surplus of \$25,000. George T. Bew, brother of the mayor of Ventnor, is the president and Joseph A. McNamee the vice-president. The directors include, beside the two officials, Mayor James Bew, Lewis T. Inlay, Mayor William Riddle, S. Bartram Richards, former mayor of Ventnor, and Joseph Salus.

W. E. Knapp has been elected cashier of the Milford (Ohio) National Bank. Mr. Knapp was cashier of the First National Bank at Morrow.

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Assets, \$7,016,814.43

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Iowa Banking News

By W. C. JARNAGIN

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Accounts of Iowa banks invited. Reserve agents for national banks

The city of Des Moines delayed the sale of \$124,000 river improvement bonds for a week hoping for a better offer than was received upon the date advertised. The result was that two bidders dropped out and Chapman, Mills & Co. secured the bonds for \$1,000 less than had been offered at the previous date.

Des Moines, August 14.—In connection with the assault which is going to be made this year on the flat rate tax on moneys and credits, it is anticipated that there may be some agitation along the line of repealing the law which fixes one-fourth valuation as the basis of taxation in Iowa. This state is one of the few in the union which makes an assessment of a certain amount on property, then takes one-fourth of it upon which to levy the taxes. Joseph A. Wall of the state auditor's office is one who has taken a stand against this system on the ground that it is "inexcusably foolish." It is held that the system is decidedly detrimental to Iowa in a publicity way, for the taxable value of the state is listed at only one-fourth of what it is actually worth. The stranger does not know this and he supposes that the actual value of Des Moines property is \$22,000,000 for instance, instead of four times that amount.

The present bank law works exactly the same way. The new law provides for the assessment against the stockholders at 80 per cent and the assessor then takes one-fourth of that. As a matter of fact, in actual practice the assessor assesses the bank stockholder at 100 per cent and taxes him on one-fifth. Assessors complain that the new bank assessment law makes no provision for taking the assessment, but confines itself to the levying of the tax so that the assessor is at loss how to proceed in making his original assessment. Just how this law will be approached when the legislature meets is doubtful. It is reasonably certain, however, that some changes will be proposed.

The provision in the bank laws for the publicity of the names of all stockholders is also not well liked by bankers. The latter regard it as nobody's business who owns their stock, and the placing of all the names in the public prints does not make an especial hit with the state financiers. The law provides that the stock shall be filed with the assessor whence it is open to the public.

For Protection Against Bogus Checks

Hotel owners of the Northern Hotel Men's Association which held its annual convention in Des Moines last week, took concerted movement against the practice of cashing checks for strangers. It was suggested that hotel keepers are more often victimized on bogus checks than any other class of people. Practically every one of the 100 hotel men who attended the convention admitted that he had been swindled in this fashion at some time during his career. It is probable that personal checks and firm checks as well will be put under the ban by the hotel men of the northern states.

Reason for Pilot Mound Bank Failure

From meager reports which reach Des Moines, the failure of the Pilot Mound Bank, chronicled last week in this paper, was due to the financial condition of the Two Good Construction Company. This latter concern was thrown into the hands of a receiver, it appears,

and the bank suddenly found itself with \$20,000 worth of overdrafts. President W. B. Linn of the bank was prostrated when the true situation dawned upon him, and his two partners were deeply affected. There is no irregularity traceable to any of the officers of the bank, and the sole reason for the unfortunate ending of the institution seems to be lack of judgment as to the real status of the construction concern.

Prevents Passing of Stolen Check

A vigilant interurban conductor on the line from Des Moines to Colfax probably prevented an attempt on the part of two men to present at the Mitchellville Bank a check for \$1,500. The conductor overheard two men talking about a check for that amount which it appears had been stolen from the vest pocket of John Wilson of that city. Thereupon the conductor dropped off the car, told the bank to be wary about paying the check, and proceeded on his way. Evidently the thieves took warning, for two detectives who were placed on their trail failed to discover them or the missing check.

Will Extend Railroad

Despite suspicions to the contrary, it is believed that Leslie M. Shaw, former secretary of the treasury, actually has backing in his plan to purchase the Atlantic Northern & Southern line and continue it from Atlantic to Des Moines on one side and to Omaha on the other. The road has been in the hands of a receiver and has been ordered sold. Upon the last day of grace, Mr. Shaw appeared at Council Bluffs and paid over \$25,000 good, hard money. He then asked time to secure the remainder of the \$400,000 required and was granted until September 1st. It is understood that foreign capital has been interested in the deal, and it is this syndicate, represented by Mr. Shaw, which was the highest bidder when the property was placed on sale.

Made Director Citizens National

Howard J. Clark, one of the best known attorneys in Iowa, was made director in the Citizens National, Des Moines, succeeding the late George M. King. Mr. Clark had been in Mexico on business affairs and was not apprised of his selection until some time after it had happened. Mr. Clark has been attorney for the bank and has been attorney for the King estate.

Auditor Bleakly Back From Tour Through West

State auditor John L. Bleakly has returned from Spokane and a trip to the Pacific coast. Mr. Bleakly attended the convention of insurance commissioners while at Spokane, and the remainder of the trip was for pleasure purposes only. The auditor seized the opportunity to visit the various state capitals and look into the methods that prevail in the taking care of the banks and financial institutions. Auditor Bleakly asserted upon his return that not

a state in the West can make a better showing or one as good as Iowa in the fewness of bank failures on the part of institutions that are under the supervision of the state or nation.

At Minneapolis

Ralph Bolton, secretary of the Greater Des Moines Committee, was an interested attendant at the Minneapolis bankers conference. Mr. Bolton was delighted with the conference and feels that much good was done. He is also well pleased at the reception which was given the new Iowa idea of placing a crop expert in each county for the purpose of assisting in the scientific culture of corn and grain. The Iowa bankers who attended included Secretary Hall of the Iowa Bankers Association, who returned from Minneapolis to Sheldon to spend his vacation; C. H. McNider, of Mason City; E. J. Curtin, of Decorah, and Lynn Edwards of Burlington.

Iowa Banking Notes

One of the social events of the season in Des Moines was the marriage of Miss Katherine Ellyson, daughter of Mr. and Mrs. G. D. Ellyson, to Dr. John Henry Gould of the Eleventh Cavalry, stationed at Fort Oglethorpe, Ga. Mr. Ellyson, the father, was formerly president of the Marquardt Savings and the Commercial Savings and he was prominent in central Iowa financial circles until his health failed. He now is practically recovered.

Henry Sessions who was for several years cashier of the Capital City State Bank in Des Moines and was also a shoe dealer in this city, died last week at a sanitarium in Roxbury, Mass. The remains were brought to Des Moines for interment.

F. A. Haldridge has been elected cashier of the Milford National at Milford, succeeding H. S. Abbott.

B. B. Vorse, cashier of the Century Savings, Des Moines, has been at Duluth and Racine on a vacation trip.

The stockholders of the Commercial National at Charles City have prepared articles for the new Commercial Trust & Savings. They will be filed soon with Secretary of State Hayward.

Mrs. R. E. Pollock, wife of the cashier of the First National at Nora Springs, died Wednesday of last week within an hour after a baby boy had been welcomed to the world.

The Cedar Falls National is enlarging its quarters so as to secure a rest room for ladies and a room for the directors. The lobby of the bank will be enlarged and several improvements made which the officials believe will be of material assistance in providing for the pleasure and comfort of guests.

Fred Walker, cashier of the Mechanics Savings Bank, has returned from Albany, Oregon, where he spent two months in looking after his extensive orchard holdings. Mr. Walker disposed of a portion of his tract at a good figure.

A charter has been granted the First National of Terril by the comptroller of the currency. The capital stock is \$50,000. The president is Harry H. Buck and the cashier, C. C. Gravatt.

The Story City Bank of Story City, which has been a private bank, has been reincorporated and changed into a national bank. The capital stock is \$40,000. Joseph Marwick is president, H. C. Donhowe is vice-president and John Donhowe is cashier.

The Henderson Savings has increased its capital stock from \$15,000 to \$50,000.

The application to organize the National Bank of Milton has been approved by the comptroller of the currency. The capital stock

is \$25,000 and the organizers are H. C. Taylor, H. C. Hill, E. E. Haskins and S. F. McConnell.

Des Moines clearings for the week ending August 10th totaled \$4,426,585, a gain over the clearings for the corresponding week last year of nearly \$1,000,000.

Sioux City

By JOHN J. BIDDISON.

The news columns are full nowadays of stories concerning phenomenal yields of grain in the territory of Iowa, Nebraska and the Dakotas. To call it a bumper crop is to put it mildly, for the yield in Sioux City territory promises to be the greatest in years. The tone of optimism that prevails among the banking fraternity as well as among the tradesmen and manufacturers is seemingly well founded, and those who had foresight to enlarge their business equipment with this fact in view are the happiest men to be found hereabouts. The faith in South Dakota manifested by thousands of land speculators who grabbed cheap lands that were abandoned by panic stricken and half starved homesteaders is amply fortified by this year's returns. The abundant rains and mild summer give promise that the corn crop, the mainstay of this section, will measure to the high standard set by small grains. They're going to build 'em "bigger and better" than ever this fall.

Declare 7 Per Cent Dividend

The usual 7 per cent dividend was declared and a healthy surplus was added to "undivided profits" by the Farmers Loan and Trust Company when that husky corporation held its annual meeting Monday and re-elected officers. It has been declaring a 7 per cent dividend yearly now for 30 years and with a capital and surplus of \$550,000, is one of the largest banking institutions of the state. The following officers were re-elected: James F. Toy, president; D. C. Shull, vice-president; T. F. Harrington, second vice-president; F. V. Kammann, secretary; J. W. VanDyke, assistant secretary; C. A. Bond, treasurer; C. B. Toy, assistant treasurer.

Banking Brevities

Thos. Stinson, president of the Akron (Ia.) Savings Bank, met with a peculiar accident when, while mowing his lawn, he stepped backward and collided with a child. He turned swiftly in an effort to spare the child injury and fell in such a manner as to break his hip bone.

The site of the old First National Bank building at Sibley, Ia., is to be covered by a substantial business block, two stories high.

Among the Visiting Bankers

W. T. Graham, cashier of the First National of Laurel, Nebraska, was in Sioux City Wednesday. Mrs. Graham accompanied him on a shopping trip.

Patrick Henry, an old time banker at Chamberlain, S. D., formerly president of the Bank of Chamberlain, was in Sioux City Wednesday on his way back from the old home in Indiana. Mr. Henry is retired but owns some stock in the Brule National.

John H. Blair, vice-president of the Des Moines National, was in Sioux City Friday on his way out to his large ranch in Charles Mix county, S. D. Mr. Blair often takes his vacation in this manner.

Charters have been issued to the State National Bank of Heavener, Okla., capital \$25,000 (conversion of the Farmers and Merchants Bank of Heavener), and to the National Bank of Commerce, of Hollis, Okla., capital \$30,000, a conversion of the First State Bank of Hollis.

NUTS AND FRUITS FOR BANKERS

There has been incorporated under the United States laws in the District of Columbia the National Pecan and Orange Groves Company, of which nearly all the officers and directors are bankers. The corporation has the sanction and approval of the United States government through several of its departments. The capitalization of the company is \$100,000. It owns 30,000 acres of land in southwestern Georgia, which is particularly well adapted to the propagation of oranges and pecans.

Officers and directors are: William T. Griffith, vice-president of Poolesville National Bank, and director of the Montgomery County National Bank, Rockville, Md.; Fred C. Geiger, president United States Legal Corporation, Washington, D. C.; G. C. Bantz, assistant treasurer of the United States; John Stigers, cashier, Hancock Bank, Hancock, Md.; A. J. Hendricks, of Washington, D. C.; Walter N. Bootay, capitalist, Brooklyn, N. Y.; George O'Donnell, Washington, D. C., and H. W. Smithwick, horticulturist, in charge of the groves, ex-president of the Georgia and Florida Nut Growers Association, Americus, Ga.

BANK DIRECTOR WINS CASE

Astoria, Ore.—The circuit court jury in the case of Frank S. Godfrey, receiver of the Bank of Seaside, against B. F. Bartch, one of the directors of the defunct institution, returned a verdict for the defendant. The action was brought to recover \$59,275.85, the full amount of the bank's net indebtedness at the time it failed, with interest at 6 per cent from November 10, 1910. The suit was based on the allegation that the defendant, as one of the directors of the defunct bank, committed an illegal act in declaring dividends on the capital stock when the bank was losing money, and also in loaning more money to one institution than is permitted under the law. The basis of the verdict was the belief among the jurors that Bartch, who is an old man and unversed in banking rules, had been imposed upon and made a tool by the men who wrecked the bank.

JUNE IRON AND STEEL EXPORTS IN EXCESS OF \$24,795,000

Iron and steel exports for June, 1912, were valued at \$24,795,802, compared with May exports of \$28,050,247. While this is a falling off of a little over \$3,000,000, yet with one exception, namely, May, June exports were better than any month during the present calendar year and were \$4,400,000 better than June of 1911, and \$8,200,000 better than the same month of 1910. For the twelve months ending with June of this year, total value of exports of iron and steel were \$268,154,262, compared with \$230,725,352 for the year ended with June, 1911. For the first six months of 1912 the value of iron and steel exports, not including ore, was \$144,364,185, or at the annual rate of \$288,728,370, compared with \$250,000,000 in 1911; \$201,271,903 in 1910; and \$147,680,331 for 1909.

The imports of iron and steel, not including ore, for June, 1912, were valued at \$2,454,694, compared with \$2,777,718 for June, 1911, and for the twelve months ending with June, 1912, were valued at \$26,551,040, compared with \$34,205,968 for the same period in 1911. On account of labor troubles in England this country has for several months received a tremendous advantage in foreign sales, part of which advantage will be held even after these labor troubles are amicably settled. The Steel Corporation is selling more materials abroad at present from its fifty-eight foreign offices than ever before in its history and the U. S. Steel Products Company will show a record in earnings for this year.

CINCINNATI TO HAVE BANK FOR WOMEN

Cincinnati, Ohio.—Active work is under way in the organization of a down-town bank for women, that is to be managed absolutely by members of the fair sex and conducted in all its departments in the interests of women.

The name of the new institution is to be The Womans Savings Bank and Trust Company, and it is to have a capital of \$100,000, that is to be paid in at \$110 a share, thus starting the new venture with a surplus of \$10,000. Everything about the bank is to be of the gentler sex from the president down to the janitress.

The organizers of the new project, who are very enthusiastic, have already looked over the business center of the city and have picked the large vacant room on the ground floor of the Mercantile Library Building, and formerly occupied by the bond house of Seasingood & Mayer, as the best location for the proposed institution. It is said that they have already carried the matter to that point where they have secured an undersanding from the Emery estate as to the terms on which the storeroom can be secured for a period of years.

Within the past few days a committee of women has called upon a number of women prominent in business circles, and in each instance the project has met with enthusiasm. There are several banks of this character in this country, principally one in Denver that has proven a great financial success.

The bank is to have a directorate composed of from twenty to twenty-five woman. Quite a number of prominent business women have already signified their intention of accepting a directorship in the institution. The presidency will probably fall to a woman who is a large factor in business in this city, and she is now said to have the acceptance under consideration. The members of the executive committee, which will be drawn from the board of directors, will also be women, and man is to find no place in the institution except as a customer.

OATS, THE BUMPER CROP

The Wall Street Journal says: Among all the crops of the season oats is certainly the most remarkable in point of productivity. The unprecedented yield of 1,207,000,000 bushels is 285,000,000 bushels larger than that of last year, and 21,000,000 bigger than the best previous record of 1910. One of the good effects resulting from it will be the restoration of faith of farmers in their ability to produce a first class crop. The country has had three of the kind within five years. In the half decade closing with this year oats crops averaged 1,021,000,000 bushels. Part of this is due to expansion in acreage, but the season in which rain comes at the right time is more than anything else at the bottom of the bumper oats crop.

BROOKLYN BANK

Stockholders of the old Brooklyn Bank, New York, which is now in liquidation by the Metropolitan Trust Company, at a special meeting authorized the continuation of the \$400,000 loan which the Metropolitan Trust made to the bank prior to its resumption after the suspension in 1907. It was the granting of this loan which enabled the bank to resume business without recourse to the deferred payment plan adopted by other institutions which closed their doors at that time. At a meeting last week the retiring directors were re-elected.

A charter has been issued to the First National Bank of Homingford, Neb., capital \$25,000.

Philadelphia

Philadelphia bankers are outspoken in their objection to the proposition of Secretary MacVeagh to reduce the size of bank and government notes. Direct opposition has not been formulated. A prominent bank official, however, said he would communicate with the executive council of the American Bankers Association. It is contended that with the smaller notes difficulties in detecting counterfeits would become greater and that pending the retirement of outstanding issues there would be two sizes of notes in circulation.

Henry R. Borneman, one of the auditors for the Tradesmens Trust Company said last Friday that he expected to make the figures public before the close of this week. He added that the audit showed over \$460,000 on hand. From this would have to be deducted the receivership and auditors' expense and any claims that might be allowed, before disbursement could be made. It will be necessary to get the approval of the Dauphin county court prior to allowing payments. This, it was figured, might require about thirty days. There was approximately \$1,000,000 on deposit when the company closed its doors.

Bankers See a 6 Per Cent Market

Officers of some of the big call money lending banks cling to the view that the rate will stiffen in the near future and when crop needs are imminent the rate will advance to 5 easily and 8 probably. Just now the stock exchange houses can get all they want around 2½ simply because the supply is practically unlimited. The same is true with time money. Bankers see a 6 per cent market and they expect to get it in September. From all over the land come reports of better and bigger business and consequent monetary requirements.

The Phoenixville Trust Company, which recently opened a new bank building, five years after the organization of the company, reports that the deposits have increased from \$36,674 in 1907 to \$362,700 on a corresponding date in 1912. In its brief business career the company has accumulated a surplus and undivided profits amounting to \$42,884, and has paid stockholders \$12,500 in dividends.

Joseph Wayne, Jr., vice-president and cashier of the Girard National, has returned from an extended trip through Europe.

Louis Wagner, president of the Third National, celebrated his 74th birthday on the 4th inst.

FOR UNIFORM BANK CURRENCY

Representative Tilson has introduced in the house a bill providing for a uniform national bank currency. The bill reads as follows.

"That on and after July 1, 1913, all currency supplied by the United States to national banks for circulation shall be uniform in the several denominations authorized by law, and shall not bear any name, number, or other distinguishing mark indicating the bank to which the same is issued. The comptroller of the currency shall, under the direction of the secretary of the treasury, cause plates and dies to be engraved in the best manner to guard against counterfeiting and fraudulent alteration, and shall have printed therefrom and number such quantity of national bank certificates of the denominations of five dollars, ten dollars, twenty dollars, fifty dollars, one hundred dollars, five hundred dollars, one thousand dollars, and ten thousand dollars as may be required to supply the associations entitled to receive the same. Such certificates shall state upon their face that they are secured by United States bonds or other securities certified by the written or engraved signatures of the treasurer and register and by the imprint of the seal of the treasury."

NEW A. B. A. MEMBER BANKS

Following is a list of banking institutions joining the American Bankers Association for the week beginning Wednesday, July 31, 1912, and ending with Tuesday, August 7, 1912, both inclusive:

California—Guadalupe, Bank at Guadalupe, Agency; Sanger, First National Bank.
District of Columbia—Washington, Continental Trust Company.
Illinois—Danville, First National Bank; West York, West York Banking Company; Yorkville, Yorkville National Bank.
Indiana—Cromwell, Cromwell State Bank; Crotherville, Crothersville State Bank.
Iowa—Independence, First National Bank; Oscaloosa, Oscaloosa Savings Bank; West Union, Fayette County National Bank.
Kentucky—Allensville, Bank of Allensville; Ashland, Second National Bank.
Mississippi—Ellisville, Merchants and Manufacturers Bank.
Missouri—Farley, Farley State Bank; Fayette Farmers and Merchants Bank; St. Louis, Union Station Bank of St. Louis.
New Jersey—Bradley Beach, First National Bank; Glen Ridge, Glen Ridge Trust Company; South River, First National Bank.
New Mexico—Fort Sumner, First National Bank.
New York—Canajoharie, National Spraker Bank; Cuba, First National Bank; Spencer, Farmers and Merchants Bank.
North Dakota—Fordville, Farmers and Merchants State Bank; Scranton, Grand River State Bank.
Oklahoma—Heavener, First National Bank.
South Carolina—Clinton, Commercial Bank; Simpsonville, Bank of Simpsonville.
South Dakota—Parkston, First National Bank.
Tennessee—Chattanooga, American Trust and Banking Company.
Vermont—Rutland, Marble Savings Bank.
Washington—Arlington, Citizens State Bank; Blaine, State Bank of Blaine; Burlington, First National Bank; Poulsbo, Liberty Bay Bank; Reardan, Farmers State Bank; Renton, Citizens Bank of Renton; White Salmon, The Gillett State Bank; Wilkeson, The First Bank of Wilkeson.
West Virginia—Bluefield, Union Bank and Trust Company; Welsh, First National Bank.

W. H. VORIS ON VACATION

W. H. Voris, bond sales manager for Farson, Son & Co., has left the city for a three-weeks' vacation in Maine. He expects to return about September 18th.

POSTAL SAVINGS DEPOSITS

Statistics regarding the operation of the postal savings system in the Boston postoffice and stations during July have been compiled by Postmaster Mansfield. During the month 943 accounts were opened; the amount deposited to the credit of old and new accounts was \$83,953, and the amount of payments was \$47,320. Since the establishment of the first postal savings depository in Boston, August 1, 1911, 11,859 accounts have been opened. The amount of deposits has been \$731,043, and the amount of payments \$307,944. During the year savings cards and stamps have been sold to the amount of \$10,337.

M. A. Jacobs has been elected cashier of the German National Bank, Beaver Dam, Wis., to succeed Peter Beule, deceased.

Carl C. Pederson has been elected cashier of the First National, Frederic, Wis., to succeed J. Le Roy Elwell, who resigned to become cashier of the First State Bank, of Egan, N. D.

SMALLER COTTON CROP SOUTH

The cotton crop of the South this year will not be as large as that of last year by 2,500,000 to 3,000,000 bales, but the demands upon it are not likely to be as great. In addition to the fact that the world's spinners have done much to provide for future supplies, the crops of the other principal cotton-producing countries promise better than a year ago.

Although the United States furnishes fully two-thirds of all the cotton grown, India and Egypt are the two next most important sources of supply. England depends to some extent upon the supplies from her dominions, and the Far East also looks to India. Egypt's crop this year will show a considerable increase over that of 1911 and the quality will be superior. The cotton worm is well in hand and has not done any great injury except in a few isolated districts. The crop is generally fully 12 days ahead of last season's, and reports from all points in upper and lower Egypt are decidedly favorable. While the crop still has a critical period to go through, present indications point to the largest crop ever harvested in that country.

Partial failure of the monsoon in India last year resulted in a short crop. Bombay itself had to import some 200,000 bales, and Japan, which depends to a large extent on Indian cotton, had to import over 200,000 bales more of the American staple than ever before. European spinners, too, had to decrease their use of Indian cotton to the extent of 486,000 bales.

All this constituted an extra demand upon the American supply. This year the monsoon in India is at last favorable, and this is expected to yield a harvest considerably in excess of last year's 5,500,000 bales.

Judging from the rapid consumption of our big crop of last year, the world's requirements appeared to have overtaken the world's production. But it should be borne in mind that the demands made represented more than a normal rate of increase, due largely to the previous depleted condition of stocks, consequent upon three rather small crops in succession in the United States, and the partial failure of the cotton crops in India and Egypt last year.—Wall Street Journal.

HOW BANKERS HELP THE FARMERS

Something of the importance to Oregon in the recent move of bankers to assist the farming communities is well illustrated by the action of a Bend, Ore., banker, who has greatly encouraged the raising of hogs. C. S. Hudson, cashier of the First National Bank of Bend, has put into operation a plan which is growing in favor in many parts of the country of that vicinity. The experiment was started about a year ago when hogs were shipped in from the Middle West by the banker and distributed to the farmers of the vicinity. It appears that the experiment has been successful and officials of the Portland Union Stockyards Company have been notified that they may expect great results from that industry in the future.

Recent investments in Oregon by eastern capitalists show that there is great activity in this line, a recent sale, the largest recorded for some time, being that involved in the transfer of a ranch of 1,500 acres, the consideration being \$200,000. It is announced that the ranch will be divided into small tracts and planted to pear trees. J. E. Trasker, a wealthy banker, formerly from Regina, Canada, has recently secured a large tract of land near Portland, the consideration involved being \$50,000.

JOHN F. MOONEY ACCEPTS NEW POSITION

John F. Mooney, who formerly was connected with Farson, Son & Co., has accepted a position with Ware and Leland.

H. E. Otte

H. E. Otte, vice-president of the National City Bank of Chicago, who has been spending a part of his vacation in Michigan, expects to spend the remainder of it in the East. He expects to resume his duties at the bank about September 1st.

LAUNDERS MORE THAN \$500,000 IN CASH

Washington.—More than a half million dollars of old paper money, washed and ironed to the crispness of new in the federal government's currency laundry, was placed in circulation this week. This lot represented Uncle Sam's first job as a laundryman.

For weeks the treasury department has been cleaning and reviving dirty old notes by the washing machine perfected in the bureau of engraving and printing. Secretary MacVeagh has stamped the venture a success and the laundry will be run in full swing from now on. All Uncle Sam's bills which are not practically worn out will be washed, ironed and redistributed.

The first batch of notes will be sent to sub-treasuries and paid out to banks in the Middle West. The treasury department has ordered three more washing machines. Within a few months, it is expected that every sub-treasury will be equipped with a laundry and the government expects to save hundreds of thousands of dollars annually.

JOHN F. HAGEY ON VACATION

John F. Hagey, assistant cashier of the First National of Chicago, has left the city for a month's vacation in the East.

T. E. CUNNINGHAM RETURNS TO CITY

T. E. Cunningham, of Harris, Winthrop & Co., has returned to Chicago after a six weeks' vacation.

Does it Pay the Bank to Employ My Individual Bank Publicity Service?

The following is quoted from a letter received from an eastern bank we have served for the past eight months. It is located in a city of about 20,000.

My Dear Sir:—Enclosed find draft and report for the last month. You will notice from the latter we are getting new accounts all the time.

I know the publicity work, both letters and press advs. are doing us lots of good, and I have nothing but the highest praise for your Service.

Very truly yours,
(Name of bank given upon request).

For the six months' period ending June 30, the monthly report cards for this bank, (a record kept at our request) showed—

New Accounts opened - - 643

The first or initial deposits
of which totaled - \$80,139.

Every account was opened at the bank in response to the bank's advertising. We solved this bank's problem. We can help you. Are you ready to consider the Individual Service?

H. B. CRADDICK

FINANCIAL ADVERTISING

906-907 Andrus Bldg.

MINNEAPOLIS

GOOD BUSINESS IN DAKOTA

Pierre, S. D.—The abundant harvest, now practically saved, has given a general impetus to business throughout South Dakota and the state is enjoying a greater prosperity than it has had since 1909. New industries are being started or are definitely planned and old ones are taking on new life, while merchants are doing a thriving business and expecting to break records next autumn. Even railroad construction, which has been quiescent for two years, is being discussed again with a practical certainty that several extensions will be undertaken soon.

Before the end of the building season in the fall North Dakota will have nearly 1,500 miles of new railroads. These new lines will increase the state's total mileage about 25 per cent. Considering the size of the state, its population and the railroad mileage it now has, the amount of construction work under way easily places North Dakota at the head of all the states from the point of rail construction for the year. The greatest interest centers on the new line of the Minneapolis & St. Louis, which will extend clear across the state from the southern to the northern boundary lines. Railroad construction in the west central section of the state has become animated as a result of the contest between the Sault Ste. Marie line, the Northern Pacific and the Great Northern for new territory. In the north another move by the Soo is being made, with the object of reaching territory now tapped exclusively by the Great Northern. The extension of the Great Northern from New Rockford into McKenzie county was a move that was not expected. Many new towns are being opened along these extensions and some old ones have gained in importance, population and business.

While crops are a tremendous item, live stock for years has been South Dakota's greatest money producer and this year the state has "the critters to sell" at a time when prices exceed anything South Dakota ranchmen ever dreamed of receiving. Last year the state sold 650,000,000 pounds of pork and beef at an average of about 5 cents. This year it will sell as much at an average of 7 cents.

NEW NATIONAL BANK PROJECT

Eureka, Cal.—W. E. Weathers, formerly president of an Oklahoma national bank, has announced his plan of organizing a new national bank in Eureka with a capital stock of \$200,000. He says that enough stock has already been subscribed to warrant the announcement that the new bank will be in operation October 1st.

APPOINTED BANK EXAMINER

J. M. Hockett, former credit man for the Chase and West Furniture Company, Des Moines, Ia., has recently been appointed one of the state bank examiners. Mr. Hockett began his banking experience some years back as a clerk in the Century Savings Bank, Des Moines, and later was made cashier of a bank at LeGrande, Iowa.

LIBERTY TRUST ACQUIRES PROPERTY

The Liberty Trust and Savings Bank of Chicago, which recently was organized by Edward Morris, John A. Spoor and others, has acquired property at the northeast corner of Twelfth Street and South Kedzie Avenue. The building at that place will be remodeled.

CHICAGO BANK INCREASES CAPITAL STOCK

The Peoples Stock Yards State Bank has increased its capital stock to \$200,000.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$6,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE CALIFORNIA LAND

Twenty thousand acres, first class general farming or fruit land Abundance water, splendid sub-division, \$16.00 per acre. W. D. Pinkston, Rosslyn Hotel, Los Angeles, Cal.

FOR SALE—Miscellaneous

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9½-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

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Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

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All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

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Department of New Business

NORTHWEST

Chicago, Ill.—The Hyde Park State Bank has been opened at 53d and Lake Avenue. Among the directors are R. F. Cummings, Frank W. Howes and C. R. Horrie.

Centralia Ill.—The Centralia Trust & Savings Bank has been organized with \$50,000. E. L. Welton, J. F. Markey, Max Prill, H. G. Cormick, J. J. Bundy and R. J. Birge are the organizers.

Three Lakes, Wis.—The State Bank of Three Lakes has been incorporated with \$10,000 capital. C. G. Kuney and M. Parret are interested.

Waterloo, Wis.—The Waterloo State Bank has been organized with \$30,000 capital.

Beaufort, Mo.—The Bank of Beaufort has been organized by John Wildhaber and W. H. Linstromberg.

Kansas City, Mo.—M. C. Harper and a group of bankers are interested in the formation of a new trust company.

Kranzburg, S. D.—The Farmers State Bank has been incorporated with \$10,000 capital by John A. Rees and others.

Ashton, Iowa.—The Ashton State Bank is organizing. Theo. Zimmerman, W. A. Solon and C. M. Hanson are the organizers.

Pilot Mound, Iowa.—The Pilot Mound Savings Bank is organizing to succeed the Pilot Mound Bank. S. L. Moor is president.

Evansville, Ind.—A new bank is to be established here. Among those who have subscribed stock are Dr. Ed. Laval, Joe Haas, Dr. D. B. Cain, Newton Kalsey, Edward F. Goeke, Hulman & Co., Schnute, Holtman & Co., the Heldt Co., Walsh Baking Co., John S. Wilson & Son, Theodore E. Rechten, Henry Korff, Sr., Herman Menke, Louis Fricke, Bosse Bros., John L. Newman, Walter Schnuete, Eli D. Miller, George Goodge, Sr., Daniel Ortmeier, Clinton F. Rose, C. F. Werner, C. B. Enlow and Fred Herman.

WEST

Waukomis, Okla.—The Farmers State Bank has been incorporated by the following: A. P. Wilcox, E. A. Pendoris, of Enid, and Lewis W. Green, of Hunter.

Holdridge, Neb.—The Phelps County Bank has been organized here with \$35,000 capital. H. E. Erickson is president, C. L. Dunham vice-president and C. A. Galloway cashier.

Lincoln, Neb.—A new state bank with \$100,000 capital is to be organized here. Clark Oberlies, I. H. Hatfield, Don L. Love and W. H. Dorgan are interested.

Turner, Kansas.—C. W. Green, president of the First State Bank of Argentine, and F. A. Bracken, cashier same bank, are organizing a bank here.

Gardena, Cal.—A new savings bank is to be organized with \$25,000 capital with officers in the Gardena Bank and Trust Company building.

Leban, Wash.—Fisher Bros. & Stiner have opened a private bank.

SOUTH

Linden, Tenn.—The Linden Savings Bank and Trust Company has applied for a charter. J. T. Ennis, C. W. Shellenberger, John Cummins, C. P. Blake and J. H. Alston are interested.

Center Texas.—The Center Trust Company has been organized with \$100,000 capital and \$25,000 surplus. W. P. Owens is president, J. S. Kennedy vice-president and M. Ray secretary and treasurer.

Perry, Texas.—The First State Bank has

been organized with G. A. Bletsch president, T. W. Hander vice-president and A. E. Hander cashier.

Waco, Texas.—The Lumbermens Security and Trust Company is organizing here with \$100,000. The incorporators are: W. W. Cameron, E. R. Bolton, W. J. Neule, E. W. Marshall, E. Rolan, S. M. McAshan, H. M. Minier, W. W. Pryor, R. J. Tolson and A. T. Clifton.

Merryville, La.—The Peoples Bank has been organized with \$25,000 capital, with the following officers: J. W. Tooke, president, J. E. Meadows and W. H. Frayer vice-presidents and Felix Taylor cashier.

Newton, Miss.—The First State Bank has been incorporated. W. H. Tharp, M. A. Lewis, J. C. Waltern, F. L. Campbell and J. B. Stirling are interested.

Mobile, Ala.—The Farmers Loan and Banking Company has been organized with \$50,000. S. O. Vickers of the Grand Bay Lumber Company is interested.

Marianna, Fla.—The Peoples Bank of Marianna has been organized. E. L. Wilson is president, J. W. Russ vice-president and W. J. Daniel cashier.

Brewton, Ala.—J. B. Stirling of the First National Bank of Jackson, is interested in a new bank organizing here. Others concerned are: M. A. Lewis, W. H. Tharp, J. O. Walton, F. M. Campbell and J. D. Rogers.

EAST

Conemaugh, Pa.—The Conemaugh Savings and Deposit Bank is organizing with \$50,000 capital. C. W. Davis, Roscoe C. Custer, I. F. Link, E. Custer and others are interested.

Baltimore, Md.—John D. Howard & Co. is a new banking firm in which W. E. Bush of the Trust Company of Georgia, Atlanta, is interested.

WILL BE PAID IN FULL

Alturas, Cal.—In a statement regarding the affairs of the Bank of Modoc County, which was closed recently, George M. Mitchell, the deputy of the state banking department assigned to liquidate the bank, is quoted as saying that the depositors will probably get dollar for dollar. The statement places the total assets at \$84,244.93, consisting of loans, secured and unsecured, \$66,764.78; real estate, \$4,049.55. The liabilities are placed at \$31,763.00, consisting of bills payable, \$4,100; individual deposits, \$18,333.91; term certificates of deposit, \$535.40; cashier's checks \$843.17; due to banks, \$54.11; outstanding drafts accounted for, \$8,257.21. There is a total of 63 deposits varying from \$4,500 to 20c. Of the total loans of \$66,000, about \$20,000 are amply secured the rest being secured by notes. The largest secured loan is for \$14,000 to W. A. Sherlock. The largest unsecured loan is \$3,800. Both are considered good. The \$40,000 in notes hypothecated with a Sacramento bank have been returned on order of Bank Superintendent Williams. The bank stock is all owned by the five Lauer brothers. Charges of felony in the management of the bank will be investigated by the grand jury which met and organized on Monday.

Having secured a position as treasurer of a large manufacturing company of Pittsburg, C. Rowland Richards, of Louisville, Ky., state bank examiner, has sent in his resignation, which was accepted, and A. Burton Faris, of Richmond, was appointed to fill the vacancy.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

WOODROW WILSON has a plan of systematizing governmental income and expenditure. He said: "It is a matter I have been interested in ever since I was a youngster. Things were different then, however. There were the committee on ways and means for supplies and the committee on appropriations to regulate expenditures."

"NOWADAYS we have the military committee taking care of the army appropriation bill, the naval committee looks after the naval appropriation bill, and the agricultural committee the agricultural bill, so that we have no place or authority where the various items might be systematized and we never know how much is spent by congress till it adjourns."

"RELATIVE of Banker's Wife Commits Suicide" is a big headline in a Chicago paper. Then follows the story of some demented unknown "who was related to the wife of ———, a prominent Iowa banker."

OF course the banker and his estimable wife are made to suffer by the notoriety, all to attract attention to what never had the elements of a news item.

BANKERS are the goats for the sensation monger at every opportunity. Strange they stand for it in papers which they chiefly support?

"SOIL Conservation," as a banker-farmer issue in Illinois was "waked from the dead" by Dr. Cyril G. Hopkins of the University of Illinois at a meeting of the Illinois Bankers Association held on William George's Brookline Farm, at Aurora three years ago. Preservation or restoration of soil fertility was the keynote.

NOW comes William George with a tip to the Banker-Farmer to come to his "Hog Sale" at the Brookline Farm on Monday the 19th. "If you cannot come," says William, "write or telegraph your bid" and help spread the "Better Hogs" doctrine.

NELSON over at the Merchants Loan has had an architect and a landscape artist collaborate on plans for a hog farm on his Louisiana estate. Nelson believes there's millions in it. At least in Illinois the profits on raising good porkers are immense.

"MOOSEPAPERS," almost as easy to say as newspapers, but meaning that you are to expect more "dope" than news for the time being.

SOPEHOPPY is not the name of a disease nor of a new petroleum extract, but of a town in Florida, where the examiner has closed a bank. No wonder!

N. H. GREENE of Moline reports that his constitutional amendment fixing, so far as is possible the period for holding the annual convention of the I. B. A. is gaining support from all quarters. He's right!

ANOTHER amendment which is talked of considerably is the one on cutting off the ex-presidents, who, as a political asset of a former régime, were put on the council for life. Most of the ex-presidents are said to be in favor of being cut off.

INQUIRIES have reached this office as to whether or not J. Fletcher Farrell of the Fort Dearborn National is a candidate this year for the chairmanship of the A. B. A. executive council. Inquiries came from three widely separated points, leading to the assumption that such talk is general.

MR. FARRELL is not a member of the executive council, nor is he a candidate for election to that distinguished body. He is

treasurer of the American Bankers Association, serving his first year in that office. It has been customary to give all of the treasurers two terms, and Mr. Farrell's friends will be entirely satisfied to have the members of the executive council re-elect him to that position. There positively is no basis for any of the rumors which we have heard stating anything to the contrary.

YOU will see elsewhere in this issue of THE CHICAGO BANKER a list of prominent bankers from Minneapolis and St. Paul who have made table reservations on the Chicago-Detroit special train. Reservations are coming in from all points of the compass, and the "banquet on wheels" is an assured success.

SECRETARIES P. C. Kauffman of the Washington Bankers Association and Frederick H. Colburn of the California bankers, have sent out bulletins changing the time of the arrival in Chicago of the big Pacific Coast special so that it may be consolidated with the Chicago special at this point on Sunday morning, September 8th, at 10:00 A. M.

E. E. CRABTREE of Jacksonville spent several days in Chicago this week on business strictly connected with his bank. He has made a reservation for three seats on the Chicago special.

L. L. BACCHUS, connected with the auditor's office at Springfield and in charge of the banking and building loan department, was in Chicago this week advising with some of the newer created state banks as to the duties and powers of their directors. This is an important subject, especially in a new bank, and Mr. Bacchus is complete master of it.

WE have had a number of applications in this office for particulars as to the plan adopted for the new Woodruff farm loan bank at Joliet. It is our information that President George Woodruff, before leaving for Europe, compiled a short reprint covering that question and that copies of it may be had by addressing the First National at Joliet.

HOMER W. MCCOY, head of the big investment concern in Chicago bearing his name, and an ex-president of the Illinois Bankers Association, is one of the standard tourists when it comes to going to the national convention of the American Bankers Association. His "hat is in the ring" for Detroit.

FRANK ROTI announces the "grand opening" of the Western Savings Bank at 618-20 North Western Ave., Chicago, on Monday, the 19th. Mr. Roti is "proprietor" and intends to do a mixed business of "banking, real estate and insurance." "Open from 8 a. m. to 8 p. m."

COMMERCIAL-GERMAN NATIONAL, Peoria, has increased its capital by \$200,000 and now has \$750,000 capital and a like amount of surplus. "Biggest bank in Illinois outside of Chicago," is the proud descriptive title of the enlarged institution.

SECRETARY J. L. Hartman of the Oregon association does not expect to reach Detroit until Monday, September 9th, but will try to connect up with the Banquet on Wheels if possible.

"TO the Editor of the Best Paper in the Town or City to which this is addressed —Chicago, Ill., was what was on a big, important looking mail document delivered at this office on Friday last. Now will you be good?

S. W. STRAUSS & CO., Chicago, announce that the Cheverny apartments first mortgage 6 per cent bonds have been called for payment at 103 and accrued interest, in accordance with the terms of the trust deed. Of the total issue of \$45,000, \$4,500 were paid off,

leaving \$40,500 outstanding, now called for redemption.

OLD Phinneas T. Barnum was the wisest showman that ever lived, but his horse sense would have distinguished him in any field. The next paragraph by "P. T." will serve as a text for any up-to-date savings bank preachment, and up to date has not to our knowledge been assimilated by Fra Hubbard.

WHEN a man finds himself at the end of a year without a surplus, though he has a good income, let him take an account book and subdivide it, on each page, into "Necessities," "Comforts," and "Luxuries." Let him keep account of every penny he expends, and he will find that the last account will outweigh the former many times. Then, if he has common sense, character, and will-power, he will reduce the amount paid out for luxuries, and amass a surplus. In other words, he will save. Saving is simply the elimination of waste expenditures. It is waste, and nothing else, that keeps a man constantly behind. The man who cuts out waste will have no difficulty in saving.—P. T. Barnum.

TAKE your golf bag to Detroit and win a prize. W. Howie Muir (Scottish man) is chairman of the golf tournament for the A. B. A. convention delegates. Bring your certified weight, handicap checks, etc. Captain Muir means business.

THE tournament is on Wednesday, September 11th. All told there are eight silver cups, and all games will be 4 ball foursomes. Two cups will go to best net score. One event is for players under 150 pounds and one event for those above that weight. Handicaps must be from home club and accompany the entry. One event is for "average 150 pounds," and may include fat and lean mixed.

THERE will be golf for all, but the requirements are not a joke of any kind. Capt. Muir evidently means business, so bring your clubs, your golf bag and your certified handicap from the home club. Train down if you want to be in the light weight class.

YOU can choose your partners and enter now by addressing the Golf Committee, Bankers Association, Country Club, Grosse Point Farms, Mich.

CASHIER.

NEW BANK FOR WEST SIDE

A new bank shortly will be opened on the West Side by interests connected with the Central Trust Company of Illinois. The new institution will be located in the quarters formerly occupied by the Prairie State Bank, which was absorbed by the Central Trust Company last March. The capital stock will be \$200,000. The shares will be sold at \$125 each, the premium thereby creating a paid-in surplus of \$50,000. The bank will cover that territory reached by the Prairie State prior to its absorption. The president will be chosen from the force of the Central Trust Company. Charles G. Dawes and Joseph E. Otis, president and vice-president respectively of the Central Trust, will control the management of the new bank. The name and officers of the new institution will be announced shortly.

NEW CHICAGO BOND HOUSE

The bond firm of Elston, Clifford & Co. is being organized by Edward Clifford, manager of the Chicago office of Hornblower and Weeks. Mr. Elston, the senior member of the firm, has been prominent in the organization of a number of gas and electric companies, and Mr. Allyn, who also will be one of the firm, has been associated with Mr. Clifford in the office of Hornblower and Weeks. It is expected that the new concern will commence business sometime the fore part of September.



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\$9,000,000

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CLARENCE A. BURLEY, Attorney and
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HENRY P. CROWELL, President Quaker
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WILLIAM A. GARDNER, President Chi-
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F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

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NEW ALL-STEEL TRAIN
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The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

AUGUST 24, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

To Detroit

The big Chicago-Detroit special is filling up rapidly. The "calls" for the banquet on wheels will come at 11:30 a. m., and 12:30 and 1:30 p. m. if more than two "calls" are necessary. If only two calls, they will come at 12 noon and at 1:00 p. m. There are 159 on the diagram now, many of them specifying second call.

Neither The Chicago Banker nor the Chicago-Detroit transportation committee of bankers, of which Arthur Reynolds is chairman, has anything to do with the boat trip by way of Mackinac. That is a tourist promotion simply. The official and only train sanctioned by the committee on transportation will be one over the Michigan Central-New York Central lines, at 10 a. m. on Sunday, September 8th. All regular and tourist tickets are good on it, and stop-overs can be had at Detroit by those who wish to continue eastward after the convention. Reservations for the Banquet-on-Wheels can be made in full only where all names are furnished. Tickets for banquet and Pullman will be forwarded direct by the railway company.

Buy your railway ticket at your own railway ticket office.

Reservations can be made through C. C. Clark, General Agent, Michigan Central, 228 S. Clark St., Chicago, or through any bank in Chicago. The members of the transportation committee are: Arthur Reynolds, chairman, Des Moines; W. G. Edens, Central Trust, Chicago; Nelson H. Greene, Moline; J. Fletcher Farrell, Fort Dearborn National, Chicago; George F. Orde, First National, Minneapolis; Oliver C. Fuller, Wisconsin Trust, Milwaukee; E. J. Bowman, Anaconda, Mont.; W. D. Vincent, Old National, Spokane.

Make your reservation early so that the best of service may be furnished to all.

MARKET TRUST AND SAVINGS ORGANIZED

Market Trust and Savings Bank, Chicago, has been organized with a capital stock of \$200,000. The new institution will open for business about September 1st. William T. Bruckner will be president; Frank Ransford, vice-president, and Fred S. Fulton, cashier. Mr. Bruckner is vice-president of the big Continental and Commercial National and is interested in the Lake View Trust, the Northwest State and the Cicero State banks.

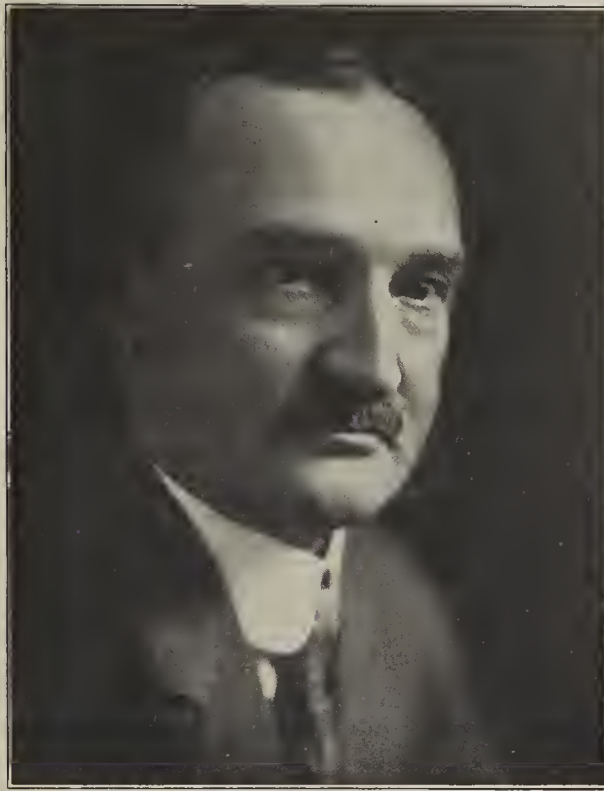
Frank I. Packard

Frank I. Packard, assistant cashier of the State Bank of Chicago, who has been spending the past eight or nine weeks in Europe, is expected home shortly.

CHICAGO BOND MEN ON VACATION

Herman Gifford, manager of the Chicago office of William Salomon & Co., Charles H. Schweppe of Lee, Higginson & Co., and McM. Rutter of White, Weld & Co., are out of the city on vacation. Mr. Gifford is in the East, Mr. Schweppe in the White Mountains, and Mr. Rutter is in New York.

Two Gavel Wielders of the Week



FRANK N. BRIGGS
President Interstate Savings Bank, Denver
President Colorado Bankers Association



RAYMOND B. COX
Asst. Cashier Fourth National Bank, New York
President American Institute of Banking

Ralph N. Ballou

Ralph N. Ballou, cashier of the National Produce Bank, Chicago, left the city this week for an extended trip through Yellowstone Park and the West.

MECHANICS AND TRADERS OFFICERS NAMED

Officers of the Mechanics and Traders State Bank of Chicago, the new bank recently formed by interests connected with the Central Trust Company, to cover the territory vacated by the Prairie State Bank upon its absorption by the Central Trust, have been chosen as follows: Calvin F. Craig, president; W. R. Dawes, vice-president, and Morton F. Stone, cashier. Mr. Craig formerly was cashier of the old Metropolitan Trust and Savings; Mr. Dawes is vice-president and cashier of the Central Trust. Mr. Stone formerly was assistant cashier of the old Prairie State, whose quarters the new bank will occupy.

NEW CHICAGO BANK STARTED

The State Bank of Italy opened for business this week at Halsted and Taylor streets. The new institution will be controlled by interests connected with the Colonial Trust and Savings of this city. The capital stock is \$200,000, and there is a surplus amounting to \$50,000. The officers are as follows: P. Schiavone, president; Dan J. Schuyler, Jr.,

vice-president; Fred A. Farnham, cashier, and Michael P. Schiavone, assistant cashier. The directors are: R. C. Keller, Frank H. Gazzolo, George C. Lipton, Dan J. Schuyler, W. R. Moorehouse, D. C. Dappes, P. Schiavone, M. Schiavone and Fred A. Farnham.

T. E. Newcomer

Thomas E. Newcomer, assistant cashier of the Fort Dearborn National of Chicago, has been out of the city on his vacation. He has been visiting relatives in Illinois. Mr. Newcomer is expected back in Chicago on Monday.

CHICAGO BANK INCREASES CAPITAL STOCK

Peoples Stockyards State Bank of Chicago has increased its capital stock from \$300,000 to \$500,000.

C. B. HAZELWOOD IN SALT LAKE CITY

C. B. Hazelwood, assistant secretary of the Union Trust Company of Chicago, has been in Salt Lake City this week attending the convention of the American Institute of Banking.

Superintendent Van Tuyl of the New York state banking department has appointed A. T. Campbell of New York as chief examiner of the Metropolitan district of his department, salary \$18 a day. He succeeds the late M. W. Huchins.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

OFFICERS

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

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We Can Assist Bankers to Increase Their Foreign Exchange Business

If you desire to increase your foreign business, write us and we will send you practical suggestions as to how this can be done. Address, Department 23,

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15 William Street
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LEIPZIG
GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depository

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier
CHARLES FERNALD, Ass't Cashier
WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

ANOTHER reason for being in Detroit on Monday is that the Burroughs Adding Machine Company has extended an invitation to all visiting bankers to go over to their place for luncheon between 12:30 and 2 P. M. An appropriate souvenir will be distributed to those who attend.

AT 4:30 P. M. on Monday the steamer "Tash-moo" will take the bankers up the Detroit River to Lake St. Clair, returning about 10:00 P. M. Luncheon will be served on board the boat. The social program for almost every other day of the convention is equally full of events.

WORD comes from the hotel committee at Detroit that the room reservation demand is being cared for systematically, and that the situation is fully in hand. Those not already provided for can find accommodations by communicating with this committee through any bank in Detroit.

SAN DIEGO, Cal., is preparing for its Panama-California exposition international to be held throughout the entire year of 1915. Some very interesting and attractive advertising is being circulated by the First National of San Diego. This bank will be pleased to answer any inquiries or to make any banking arrangement necessary for those who expect to attend or to participate in the exposition.

HAVE a drink with Andrew Russel, the republican nominee for state treasurer. Mr. Russel is distributing through the mails and at meetings which he attends, paper drinking cups containing his picture and the advice "Quench your thirst now." He says that the cups are intended for cold water only.

ONE of the cleverest short addresses of the year is the reply to the address of welcome at the Pueblo convention by Allen F. Ayres of the Continental Trust at Denver. It is both clever and short, two important requisites for such a performance.

THE proceedings book for the twenty-sixth annual convention of the Iowa Bankers Association held at Cedar Rapids, June 5th and 6th, is out. It is very handsomely illustrated, giving the pictures of all officers and of all the group chairmen who composed the council of administration in that state.

SECRETARY P. W. HALL is to be congratulated upon the evidences of editorial care shown in the make-up of the volume, which contains a list of all members of the association by counties and the counties by groups. The names of all those attending the Cedar Rapids meeting are included also.

PERHAPS there is not a state in the Union where the bankers are trying to help the farmers any more sincerely or earnestly than they are in Iowa. Scott county, in which Davenport is situated, has a farm improvement league. President A. F. Dawson of the First National of that city is chairman of the executive committee, and has been giving very liberally of his time to the furthering of the

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

M. L. RIDDLE & CO. Bankers Agents Austin : Texas

GEO. E. SHELLEY, Atty.; ABE GROSS, Atty.; M. L. RIDDLE, Ex-Chief Clerk State Banking Dept., author *Digest Texas State Banking Laws*.

Some of the things we do:

Advise coming bond elections and value of property to be levied against. Furnish statements of Texas Banks. Take charge of all your Texas business. Furnish information of Texas corporations, value of stock, etc., etc.

References:

ANY BANK IN ANY CITY OF TEXAS

league. Mr. Dawson served Iowa a number of years in congress, and is a very fluent speaker. He is in great demand at farmers' meetings everywhere.

S. B. CHAPIN, the well-known Chicago and New York broker, predicts bullish activity and higher prices for the stock market. He does not see any disturbing influence in the political situation.

KNAUTH, NACHOD AND KUHNE of New York look at the situation from a similar viewpoint. Their August 15th circular says that "the political situation has not been in the least disturbing." This leading house takes a great deal of comfort from the Woodrow Wilson letter of acceptance, believing that it has had a settling and quieting influence on business conditions.

IN addition to serving a luncheon to the bankers who will visit their plant in Detroit, the Burroughs Adding Machine Company intends

to conduct a model bank in parlors F and C at the Ponchartrain, where they will demonstrate the usefulness of all of their latest bank adding machines, including the transit and ledger posting machines. Additional souvenirs will be distributed at this point.

AMONG the addresses of the year in a convention way attention has been called to that of Raymond B. Cox, president of the American Institute of Banking, delivered at the Salt Lake convention. In reality it is a very high class paper and will be found printed in full elsewhere in this edition.

MR. COX is an assistant cashier of the Fourth National in New York City, and has been giving a very good account of himself since he reached the metropolis. President James G. Cannon has been a friend of the institute from its very beginning, and has shown his appreciation of one of its chief products—well educated young men—by giving an important position in his bank to President Raymond B. Cox of the institute.

TREASURER C. S. DIETHER of the American Institute of Banking reported at the Salt Lake convention covering the operations of the institute for the year. The income is around \$24,000 per annum, about one-third of which comes from bulletin subscriptions and one-third from membership dues. Other receipts are from the study courses. The balance on hand August 1st was \$3,350.27.

MISSOURI has 1,147 incorporated state banks and thirty-one private banks. She has fifty-two trust companies and 134 national banks. The total deposits of the thirty-one private banks are less than three millions of dollars. The state banks have two hundred and sixty-two millions in resources and the national banks three hundred and ninety-seven millions, with the trust companies about half the latter amount.

SECRETARY J. W. ROBINSON of the Idaho bankers in his August 9th bulletin invited all of the bankers in his state to join the Chicago special in this city on the morning of Sunday, September 8th, at 10 A. M., for the trip to Detroit. Bankers may make reservations through any bank in the city of Chicago for this splendid train.

EUGENE SNOWDEN of St. Louis, who has been traveling in Kansas, reports the crop outlook for that state the best in years. For once Kansas got just the exact amount of rain she needed and got it when it was needed the most.

MR. SNOWDEN noticed that the mills of North Topeka were being operated both day and night in order to handle the 1912 crop. Flour mill owners told him that this year's wheat is the best ever raised in the state.

BANKERS who are interested in the plan of the new Woodruff trust company at Joliet can have considerable printed

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

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W. F. DOCKETT, Assistant Cashier

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The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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FIRST NATIONAL BANK MINNEAPOLIS

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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CORN EXCHANGE CAPITAL - \$3,000,000.00 SURPLUS - 5,000,000.00 UNDIV. PROF. 750,000.00

NATIONAL OF CHICAGO, ILLINOIS BANK . .

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CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Charles H. Hulburd
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Martin A. Ryerson
Benjamin Carpenter
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With Your Chicago Correspondent?

OUR AIM IS TO BOTH PLEASE
AND SATISFY OUR CUSTOMERS!

Correspondence as to terms cordially invited

THE LIVE STOCK Exchange National BANK
OF CHICAGO

THE CHICAGO BANKER

Founded in 1898

VOLUME XXXIII

CHICAGO, AUGUST 24, 1912

NUMBER 8

President Raymond B. Cox to American Institute of Banking

It is not the purpose that this shall be a detailed account of all that has transpired in the institute during the past year, but to inform this convention of the progress of the association to present those matters which demand the attention of this body as a national organization and to offer such comments and criticisms as are prompted by the observations and experiences of its retiring president.

Through a good fortune which came to me solely because of my work in the institute, I have in the occupancy of my position been able to keep in the closest touch with the affairs of the institute, having personally visited twenty-one (21) chapters and consulted almost daily with the educational director. As a result of this close observation I can declare with intimate knowledge that the institute is an institution of study, that its members as a body are organized for the sole purpose of their own edification and that they are conscientiously devoted to their purpose.

I must admit, however, that they occasionally permit the introduction of diverting influences. The most serious problem which has confronted the present administration has been the growing popularity of public theatrical performances under the joint auspices of chapters and professional promoters and I present for the consideration of this convention the declaration that such performances are in violation of the spirit and letter of our constitution and are detrimental to the purpose for which we are organized. I trust that every delegate in attendance at this convention will return to his chapter with the conviction that the complete success of his chapter's efforts depends upon strict adherence to its avowed purpose so that my successor will never hear as I have so often this year the expression "educational features," insinuating as it does that it is but a part of a general plan. Members of the institute may wonder why their officers dwell so continually on this point. It is because these officers in their varied experience have learned so well that on that policy and on that only will the institute or any of its chapters succeed.

In my personal visits, as in my correspondence and contributions to the press, I have endeavored to present the institute as an organization of national scope and influence, giving to the members an intimate knowledge of its affairs. In this effort there were two objects, the first being to encourage the individual chapter member with a broader interest in his activities that he may realize his identity with a national movement which is of the greatest importance to the development of the country. In the furtherance of this effort I would suggest that officers of each chapter should keep themselves and their associates well informed on the affairs of the institute at large. In the second object of this effort, which was to encourage a stricter adherence to the prescribed courses of study, I was surprised to find how many chapter officers were evidently not familiar with the courses and what the institute could do to help them in their local work. In order to determine how systematically the prescribed courses of the institute were being followed, a

Not a history but a specific estimate of progress made by this interesting and effective national organization in which is offered such comment and criticism as are suggested by close observation and experience. An able contribution to Institute literature

letter was sent to the president of each chapter asking certain questions relating to their educational work. Only forty-three replies were received and, of these, thirty-five chapters stated that they were using the lectures prepared under the direction of the executive council. During the past year the study course has been revised, some lectures being entirely rewritten at considerable expense by authorities so that this course to-day is by far the best compilation of thought for this purpose in existence. The plan of the course cannot be criticised by the casual institute student because it is the result not of one mind but of many, observing what was best for the individual chapters not through the experiments of one year, but of ten years. Furthermore, since banking is a national problem, the principles of which are the same on the Atlantic and on the Pacific coast, it is necessary, if we are to be a power in developing the nation's banking, that all of our students should study the subject along similar lines. In behalf then of their own best interests and of this much desired harmony, I urge the chapter officers that in planning their courses they first seek the advice of the educational director of the institute.

The success of any effort depends upon definiteness. There must be a clear conception of the purpose, with a vision not clouded by the shadows of subsidiary opportunities. We must have but a single purpose in view with a nationally systematic definiteness and direction in its execution. It is a great satisfaction that we are so rapidly approaching this condition. While not all of the chapters are operating in perfect harmony with prescribed methods yet the large majority are and accordingly the hardest part of the fight has been won. The most pleasing proof of this is the rapidly increasing number of institute graduates. In August, 1911, the educational director reported 309 graduates; to-day, one year later, he can report 489, an increase of 180, which fact is not to be taken as an indication of the success of this administration but of the immediately previous ones. This increasing number of graduates, signifying as it does the growing appreciation of the distinction, demonstrates in another manner the wisdom of the policy which has been pursued. It has been held by some in the past that the prepared courses were too elementary, which detracted accordingly from the value of the institute certificate. The officers of the institute have always claimed, and the fact has been especially emphasized during the past year, that we must first inspire ambition and then train our members to be students, giving them only the fundamentals; that we must progress by definite stages. As the first goal the institute certificate was proposed. It was never claimed that the possession of this cer-

tificate would signify that the holder was a master of finance or a finished banker. It was intended that the certificate holders should be recognized as young men of ambition and energy with the ability to study and think for themselves and with such a knowledge of the fundamental principles that the more advanced problems of finance could be easily understood. It is for young men of this type that bankers seek to act as their immediate successors, and in the past few years they have learned to look among the ranks of institute graduates. During the past year I have discussed the institute at either conventions or personal visits with the most prominent bankers in practically every city in the country. It has been a matter of great pride to hear their commendation of the institute and that they recognized in an institute graduate a young man for special consideration because he had thus demonstrated his ambition, energy, persistency and ability to think.

Now that the prescribed courses of the institute, which were prepared to provide elementary education for the majority rather than academic education for the few, are thoroughly established, with the value of the institute certificate extensively recognized, it is time that an advanced course of study be provided for that rapidly increasing number of institute graduates. It is not enough that the institute should merely provide the bank man with the facilities for learning the fundamental principles and methods of his profession; it should be prepared to lead him into the most advanced thought and intricate problems. The day should not be far distant when the best bankers and highest financial authorities in the country will be products of the institute. It has taken many years to prepare the course of study which is now prescribed as the foundation; it may take as many more years to satisfactorily arrange this advanced course, but the initial effort has been made by a committee of institute graduates appointed to consider the matter and make a report thereon to this convention. After a whole year of constant thought and arduous labor on the part of each member of this committee, particularly faithful and active among whom was its very able chairman, a report outlining in detail a complete system of advanced study and its operation, has been prepared and will be presented to this convention at a subsequent session. This is the most important matter which has come before the institute since it became a self-governing body and I beg that it receive your most serious consideration to be followed by your active co-operation in introducing it among the chapters.

With the introduction of this post-graduate plan and with the perfection of the prepared lectures in the elementary course the institute is equipped to completely serve its function in the various cities of the country. But is this the end? Is this organization entitled to be called the American Institute of Banking when it serves only the bankers of the cities and larger towns? It must be remembered that the nation's real banker—he who finances the production of the nation's resources—does not sit in the shadow of a stock exchange.

The Fourth National Bank Of the City of New York

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CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased.

Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

It must also be remembered that the proportion in numbers is probably one hundred to one in favor of the interior banker. It is evident that not until the institute is actively engaged in the higher development of these that the organization is in the fullest sense the American Institute of Banking. This matter has been before the educational director for several years and as a result of his genius and untiring efforts in this direction the institute is at last prepared to extend its usefulness into all spheres of banking and it is now incumbent that this should be done. Few members of the institute know that we have this highly developed system of correspondence instruction and that it is proving highly successful. There are already several hundred correspondence students but there should be many thousand. In this, however, the facilities of the institute do not permit of much extension. It is only through the rare executive ability of the educational director and the faithfulness of his staff that the necessary detail and routine is transacted. I would recommend that the prepared lectures and outlines for advanced study be incorporated and that a committee of institute graduates be appointed to arrange a method of finances for their more extensive usefulness. In the extension of this phase of the institute work the members of the executive council could well be more active. At present they seem to render no particular service except attending council meetings at the conventions for which their expenses are paid.

Any consideration of national problems would not be complete without some comment on the Bulletin. That it is a success is due entirely to the efforts of the educational director for he does not receive, as he should, support from the individual members of the institute. In our enormous body of students there are thousands who have original ideas and the ability to express them and it should be a part of the work of each chapter to see that this talent is cultivated and displayed. Criticism may also be well made on the general character of the chaptergrams. One of the chief advantages which was to be derived from combining the Bulletin of the institute with the Journal of the American Bankers Association was the opportunity which we would then have of keeping before the bank officers of each city the work which was being done by their local chapter. These chaptergrams come before the eyes of at least 40,000 bank officers and 15,000 bank clerks, but the authors seem to have lost sight of this fact and they also appear to have forgotten that their chapters should be judged from the published reports of their proceedings and ac-

tivities. Chaptergrams that contain nothing but accounts of social affairs reflect no great credit on the body which contributes them, nor do they tend to solicit a hearty endorsement of the senior bankers upon whose support the success of every chapter depends. Every public appearance of a chapter, be it in print or otherwise, must be in harmony with the principles which it represents, the purposes for which it was organized and the character of men who compose it. Facetiousness is only permissible when it is used to make interesting an account of more serious proceedings. If we as individuals ever hope to occupy the positions of respect and confidence which our seniors now hold, and if we propose that our organization shall train our members for this life we must remember that hand in hand with this confidence and respect which we desire is the deportment of dignity before the public which we serve. To facilitate the administration of various phases of the year's work committees have been appointed to give special attention to the development of tasks assigned to them. These appointments were made with a view to utility and not of patronage. Each committee was advised of the ideas which were held by the executive officers and they were requested to proceed along these or such lines as they deemed expedient. All of these matters are

problems of national importance and could well be considered at this time but they will be reported in detail by each chairman and I solicit your close attention to their remarks. The deliberations of your executive council will be reported by its chairman and the statistics of the year's work will be announced by the secretary and the treasurer.

I cannot close without an expression of appreciation of the hearty support which I have received from the various committees and of the co-operation which has been offered from so many sources during the year. If the work of the past year results in any progress of the institute or extension of its usefulness it is the result not of the efforts of one man but of the spirit of co-operation and harmony which has prevailed throughout our ranks.

It has been the custom each year for the president in his annual report to pay his personal tribute to the educational director. I have often thought that this was probably perfunctory and considered but one of his official duties. I make this confession publicly that I may be more sincere in the expressions which I feel. As a result of the innumerable visits which I have paid to his office, the frequent discussions which I have held with him over the affairs of the institute and the close personal contact which I have enjoyed, I close my official connection with the institute with a genuine love for the man himself, with the highest admiration for his genius and ability and with the consciousness of the debt which the institute owes to him for his conscientious devotion to its success and the years which he has sacrificed in its behalf. I realize though that he is but a part, though a big part, of that movement that has brought success to so many ambitious young men in the past and which I trust will be the development of greater men in greater numbers in the future.

Seattle bank clearings in every month of 1912 have shown an increase over the corresponding month of 1911, July having gone forward \$4,800,000 and the year so far showing a total of \$334,766,838 as compared with \$308,837,786 in the first seven months of 1911. Building permits for the year are \$5,498,315, or \$800,000 more than in 1911, and real estate transfers show a total of \$16,789,907, as compared with \$14,309,375 for the first seven months of 1911.

The comptroller has approved the application to organize the Northwestern National Bank of Portland, Ore., capital \$500,000, to succeed the commercial department of the Portland Trust Company of Oregon.

Short Term Securities

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations.

Such securities, particularly of the larger issues, also usually command a ready market and are not subject to extreme fluctuations in price.

Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

Ask for Booklet S-724

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NOT NEGLECTING MATTERS PERTAINING TO GOOD ROADS

William G. Edens, assistant secretary of the Central Trust Company of Illinois, and president of the Illinois Highway Improvement Association, has not been neglecting the subject of good roads while attending the twenty-seventh biennial session of the Supreme Lodge Knights of Pythias in Denver as a representative from Illinois. He has secured from Warden Thomas Tynan, of the Colorado state penitentiary, a promise to attend the state-wide convention of the Illinois Highway Improvement Association to be held in Peoria September 27th, if possible for him to be there. Mr. Tynan addressed the association when it was organized at the Sherman House in Chicago last March. At that time he delivered a most instructive and interesting address, and it is desired to secure his services in that behalf again. In stating the object of the organization, Mr. Edens said:

"The object of our organization is to secure the co-operation of all the various organizations in Illinois that have road committees for the purpose of justifying legislation next January in the legislature at Springfield. Among the bodies affiliated with us are the Chicago Association of Commerce with its 4,000 members, the Illinois Manufacturers Association, the Farmers Institute, the Illinois Federation of Commercial Clubs, the Hamilton Club, the Iroquois Club and the automobile associations and clubs. Our organization is non-political. We are going to demand that the legislature expend the entire state automobile fund, derived from the issuance of automobile licenses, for the construction of permanent roads."

Mr. Edens recently held a conference with President E. E. Sommers of the Greater Colorado Highways Association at the Brown Palace Hotel, at which were discussed numerous plans for the better organization of counties and states for good roads. It is likely that out of this conference will appear plans for the organization of a national good roads association to embrace every state in the Union. Governor Deneen has appointed Mr. Edens to represent the state at the American good roads congress to be held in Atlantic City September 30th to October 5th. He also will deliver an address on good roads at the Trans-Mississippi Commercial Congress to be held in Salt Lake City August 27th to 31st.

At Salt Lake

Mayor Samuel C. Park in welcoming the junior bankers of the A. I. B. to Salt Lake spoke in glowing terms of the growth and importance of his city. He said in part:

It is not only with a great deal of pleasure that I welcome you to Salt Lake City, but also with a large degree of satisfaction, since I am convinced that, from its surroundings, its natural attributes, its pure air and the ozone of the hills, you will exclaim, as once did a famous pioneer, "This is the place!" I believe and I am satisfied that this is the place where your labors will bear great fruit.

I do not feel like an intruder here for the reason that I followed the profession of banking for a number of years and some of these gentlemen who were successful in pressing their invitation upon you to come here are among my most valued and intimate friends and I look back to the time I labored along with them as being a period employed with great profit and pleasure to me.

I am thoroughly in accord with the modern idea of conventions; in the aims and purposes of bodies of this kind. All of the great movements of this age have been inaugurated and pushed to successful conclusion, or well toward it, through agencies of this character. This work of yours is particularly timely, for no question is of greater importance to the

civilized world than the means and mechanism of exchange. Volumes have been written upon this subject and these questions have been solved satisfactorily in some countries, but the wants, needs and necessities of each country differ from those of others, even though it be only in a small degree; therefore, the system employed in one country very likely does not satisfy the exigencies existing in any other country. This problem has long vexed the most astute minds in the field of finance and, knowing that this is an age for the young man, I am constrained to believe that your work will have large influence in the final adjustment and settlement of our financial system.

Through your hands and those whom you represent passes the life blood of the nation. You hold its arteries within your grasp and upon you and upon the systems for which you are sponsors depend the growth and prosperity of the country.

In the West we are brought to realize the necessity for these things more keenly than are our brethren of the East, for here, in a comparatively sparsely settled portion of the United States, exist opportunities for the creation and accumulation of wealth dependent only upon the means at hand for development. The capital of our local institutions and financiers is drawn upon to such a degree that it is easily apparent that our great need for development is more capital and easier and quicker means for realizing upon our securities. Of necessity, your ventures and enterprises are not regarded as the most suitable of securities and, consequently, our financial institutions have to act within more conservative lines and carry heavier cash reserves than is ordinarily required where business has settled down to practically unvarying custom.

It is not my intention to discourse particularly upon this subject but to say to you that we are glad to have you come among us and we hope during your sojourn here some of you, at least, may be brought to realize just what the West needs and, knowing at the same time that this state is a producer of wealth to the extent of over 175,000,000 dollars per year, you may devise some means to assist us and our sister states in producing and marketing the great treasures within our borders.

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SHALL BANK CREDIT OFFICERS ORGANIZE?

Editor CHICAGO BANKER: On the point of writing some of the officers of banks in charge of the credit departments of the city banks on the subject this morning, I read with great interest your editorial on "Criticism of Bank Credit Departments," and I am therefore writing to you instead.

It would seem that an organization of the credit officers of the larger banks in the country, either in connection with the A. B. A. or independent of that organization, could accomplish much good in prescribing uniform forms of reports, requiring audits by auditors approved by them, and in requiring some degree of financial responsibility of the note brokers with whom they do business, if they did nothing more.

It is probably true that even large banks, acting independently, cannot require these things, but an organization of the credit officers would wield an influence that could force many reforms in the handling of commercial paper, and it is strange that this, the most important end of banking, has really the least organization.

With the increase of the wealth of the country the "country banks," which means all banks outside of the central reserve city, are compelled more and more to resort to the outside market for loans and they must depend on their city correspondents for information to a great extent. As a purchaser of nearly \$2,000,000 worth of commercial paper annually I have been very much impressed with the duplication of information received, and it does seem that a clearing house for the information, without an opinion, would relieve the city banks of an increasing burden and at the same time be of assistance to them in their own work.

It is quite as important that the "country banker" who buys commercial paper should keep a file of credit information, as it is that the city banker keep such information about the paper he buys, and I am sorry to know that our credit man feels that he is imposed

upon by the requests for such information. What do the credit officers of the banks say to a meeting to consider such an organization during the American Bankers Association at Detroit?

Yours truly,

E. M. WING,

Vice-President Batavia National Bank.
La Crosse, Wis., August 12, 1912.

W. S. McCornick

The address of welcome by W. S. McCornick, the big Salt Lake banker, was one of the gems of the A. I. B. national convention, held this week in Salt Lake City, Utah. It is a model of its kind and was cordially received by the enthusiastic junior bankers. He said:

After the cordial and eloquent greetings to you by Governor Spry in behalf of our state and of Mayor Park for Salt Lake City, there seems mighty little left for the banker to offer unless it is the freedom of his vaults, and the only thing in these that you might really take interest in is the records of overdrafts and past due notes. Speaking earnestly, however, it is an honor, as well as a sincere pleasure, to be chosen by the local chapter of the American Institute of Banking to extend its welcome to members of other chapters assembling here for the purpose of exchanging views on topics of mutual interest. This includes the extending of personal acquaintances among members, to our joint benefit and pleasure I feel sure.

While in no wise belittling the value of addresses carefully prepared and profoundly touching our general interest, I sometimes question if more is not really gained to us, after all, by personal contact with each other—the touch of man with man—the unexpected utterance of one mind dropping unconsciously its seed of thought upon another, where it takes root and fructifies later.

When I first entered the banking field such a gathering as this was undreamed of. Now we are here by the hundreds, and hold our sessions annually. While perhaps, business still is transacted along the same broad lines

as of old (involving fundamentally the exchange of honest values and mutually reciprocal services) so many methods of saving time by new ways have been introduced that the doing of the same old thing wears an aspect so new as to be hardly recognizable. The obliteration of space by rapid transit and the elimination of time by means of telegraph and telephone, have made changes really appalling in their extent and usefulness to all lines of business activity.

Not only this, but the value of organization and periodical gatherings, has not appealed to us alone. It has become the tendency of the times, and the progress that marks our combined efforts in convention assemblages as bankers, is no less observable in all other important vocations of life. As we all know more of banking generally and of each other's methods than we did formerly, so, by organizations and the dissemination of the specialized wisdom of those engaged in other pursuits, their knowledge too is widened. The effect of this is not alone the possession of a broader knowledge by every being in all the civilized world of the world's needs and ambitions, but the result is vastly more important, since it demonstrates the dependency of each of life's manifold activities upon each other. It gives to every person a fairer and truer perspective of the dependent relations each pursuit, or industry, bears to all other pursuits or industries, whose only reason for existence is the service and blessing of mankind they are capable of performing.

Nor is this all. These gatherings, whose purpose is to promote the special welfare of the particular interests it is our object to advance, are invaluable as a means of extending and strengthening our social relations, and the social relation is the foundation of all advancement. If we treat you as well as we want to, if our citizens extend to you those considerations and courtesies they owe it to their own credit to accord so distinguished a body of visitors as compose this convention of the American Institute of Banking, I am sanguine your impressions of our city and

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surroundings will not be unfriendly; and, as you return to your widely dispersed homes, these impressions will find expression in a diffusion all over our nation, of a better feeling toward the West, because of your better knowledge of our people and their aspirations. You cannot think more highly of us than we think of you. It is the sincere wish of the local chapter, in whose behalf I extend this welcome, that the coming years may fill your minds with as kindly thoughts of us as our hearts are assuredly filled with good wishes for your prosperity, for your safe conduct home, and for your realization of all the noble aspirations that mark the active currents of your lives, as they mark the unconscious currents of the lives of all God's creatures.

Chicago's Growth in Banking

Newly published reports for banking institutions of Chicago, showing their yearly progress since 1896, indicate rapid, steady gains—large in the case of national banks but much larger with state banks.

In the sixteen years under review the deposits in national banks of the city have increased from \$120,187,765 to \$487,757,762, a gain of \$367,569,997, or 305 per cent. The state banks have added consistently to their deposits, bringing the total from \$80,843,075 to \$519,956,261, a gain of \$439,113,186, or 543 per cent. The combined figures show a gain from \$201,030,840 to \$1,007,714,023, or slightly over 400 per cent.

The report is compiled by the Central Trust Company of Illinois, and is a continuation of the first report of the sort, arranged a year ago by the Western Trust and Savings Bank, absorbed since then by the Central Trust.

In 1896 there were twenty-five national banks in existence. Of these four were liquidated and fourteen merged with other banks and three changed their names. The newer institutions have brought the present number to fifteen. Those operating under unchanged names are the Calumet, First, First of Englewood, Fort Dearborn, and National Bank of the Republic. The Corn Exchange was at that time a private bank operating under the same name.

There were then nineteen state and private banks doing business. Those continuing under unchanged names are the Chicago City, Hibernian Banking, Illinois Trust, Merchants Loan and Trust, Northern Trust, State Bank of Chicago, and Union Trust. There have since been organized sixty-three new state banks. A total of twenty-six have dropped out through merger, liquidation, or change of name. In the last year twelve new state banks have been added to the list and one—the Jefferson Park National—added to the list of national banks.

Absorptions in 1911-1912 have been restricted. The Central Trust took over the Western Trust, the Metropolitan Trust, the Prairie State, and the Monroe National. The Peoples Trust and Savings Bank absorbed the Railway Exchange.

G. D. Russell has succeeded L. E. Bain as cashier of the Kenedy (Texas) National Bank.

REPORT OF A. I. B. EXECUTIVE COUNCIL AT SALT LAKE

In his annual report at Salt Lake City this week Chairman Carroll Pierce of the executive council of the American Institute of Banking pointed out that the organization is twelve years old and contains about twelve thousand chapter members. An impression seems to prevail that the institute is solely a city proposition. A suitable correspondence chapter is advocated, which would, to a great extent, put country students upon an equal footing with those in the city. It is believed that institute success depends upon educating bankers in the theory and practice



CARROLL PIERCE
Alexandria, Va.
Chairman Executive Council, A. I. B.

of banking and such principles of law and economics as apply to the banking business, the establishment and maintenance of a recognized standard of banking education by means of official examination and the issuance of certificates. The fundamental object of this organization is to provide an elementary education for thousands rather than to furnish advanced training to a small number. It is believed that the securing of a certificate from the institute ought to be only the beginning of the student's activity, and a system of post-graduate work is thought to be advisable. Experience has demonstrated that the best results are obtained in chapter work by holding weekly meetings, one meeting a month being of a general character and the others devoted to study classes. In correspondence instruction each pamphlet constitutes a single lesson, which average students should complete in about a month. It is believed that a happy blending of education and fraternity

will turn out the right kind of men, and that a realization of this ideal is what makes the institute the invincible organization that it is. Of the five hundred men who have been graduated by the institute, over one-half have finished the course this year. Each year the American Bankers Association is becoming more closely allied with the institute, and the members of the latter are becoming more of a factor in the banking world. It is believed that the time will come when the institute certificate will be essential in all well-governed banks. In conclusion it is recommended that mature consideration be given the subject of a post-graduate course, and of the financial statement; also a form of constitution sufficiently broad in its provisions to further the institute work, yet conservative.

Charles S. Castle

Charles S. Castle, president of the Standard Trust and Savings Bank of Chicago, was in Aurora, Ill., this week.

GEORGIA SENATE PASSES NEW BANKING BILL

The endeavors so assiduously maintained for some time past on the part of bankers throughout the state and the officials at the capitol were partially rewarded in the passage by the senate of a bill taking the supervision of state banking institutions out of the treasury department and placing it in the control of a state banking department to be created. The bill, as passed by the senior branch of the legislature, creates the office of a superintendent of banking and increases the number of state bank examiners. The superintendent is given the privilege of appointing an assistant and an examiner for each 75 banks in the state. The expenses for the semi-annual examinations are to be paid by the banks in accordance with a schedule ranging from \$25 for a bank of less than \$25,000, to \$280 for banks having a capital of more than \$750,000. The bank commissioner must certify and approve all incorporation papers of banking institutions before the new concern can legally transact business and the bank superintendent shall have the authority to enforce the payment of all pledges for stock. Rigid provisions are made for the liability of stockholders and directors and banking institutions are prohibited from loaning more than 30 per cent on one loan or to a corporation. Severe penalties are provided for a bank's failure to comply with the requirements of the banking laws, such as refusing to report, falsely representing capital stock, accepting deposits after insolvency, concealing loans and borrowing from the bank by the directors, officers or attachés of the bank. It is made a criminal offence to publish an untrue statement regarding the bank's affairs.

LEWIS L. CLARKE RETURNS

Lewis L. Clarke, president of the American Exchange National Bank, New York, returned last week on the White Star steamship Adriatic after an absence of two and a half months in which time he toured continental Europe, visiting the more important points, including London, Paris, Frankfort-on-Main, St. Moritz, Luzerne, Liverpool and other places.

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The August number of "The Banker," published by George Woodruff, president of the First National of Joliet, is bristling with live matters, all of which are of importance to the customers of the bank and many of them of concern to the bank patrons of the country at large. "The Banker" outlines at length "Soil Surveys and Experiment Stations," as written by F. M. Muhlig, vocational education, good roads, farm finance and many other topics which are now uppermost in the minds of progressive banker-farmers. Farm finance is treated at some length as the Woodruff Trust Company has been recently incorporated "for the primary purpose of helping to finance in Illinois the 'back to the soil' movement." The mortgages written by this company will be modeled after those of the French Mortgage Bank which "has succeeded in making French mortgages as liquid, convenient and safe as government bonds."

For local purposes there are a number of articles dealing directly with city improvement in Joliet and with city finance. A wide range of editorial comment is given and the new railway and interurban stations in Joliet, the police, the newspapers, the Corn Show and incidentally the First National Bank are all discussed in a most interesting editorial manner. Mr. Woodruff is now in Europe as the advance representative of the Southern Commercial Congress which will next year send a commission abroad to study the question of farm finance. Mr. Woodruff is making a preliminary investigation of this topic in Europe and will send a report to the congress at its headquarters in Washington as soon as he returns.

Run on Streator Bank

Through a misunderstanding of business technique a run was started on the savings department of the Peoples Trust and Savings Bank of Streator. The bank was acting as the trustee in the matter of appointing a receiver for the Streator Motor Car Company and whatever the fate of the automobile concern there is absolutely nothing in the matter which affects the Peoples Trust and Savings Bank which has had a growing business since its establishment in 1907. The business men of Streator who bank with the institution did not participate in the run and the excitement was

limited only to a number of the savings depositors. The officials met all demands without hesitation and in one forenoon the flurry was over. It was difficult for some of the smaller depositors to realize that the bank as custodian of a trust deed of the automobile company which was about to be placed in the hands of a receiver was not responsible for the affairs of the embarrassed concern.

Death of Freeport Banker

D. B. Schulte, a director of the German Bank of Freeport, died recently in that city. Mr. Schulte had been prominent for many years in the business life of Freeport having served as city treasurer, school treasurer, supervisor of the township and as a director in the German Insurance Company.

Banker Interested in Goose Culture

William H. Firke, president of the State Bank of Mansfield, Piatt county, is interested in a line of live stock industry in which few bankers engage. This is the raising of geese on a large commercial scale. During the fall of 1910, Mr. Firke and a stockman of his vicinity, Samuel Clouser, conceived the idea of raising geese in large numbers and they at once put the project into execution. They went to Tennessee and bought two thousand of the fowls and shipped them to Mansfield. The flock was fed and during the holiday season was marketed in New York and Chicago with large profits. During 1911 these men fed and marketed 4,200 geese and this year they expect to prepare another large flock for the

city markets. The fowls are purchased in Kentucky and Tennessee and are hardy birds, fattening for market without great trouble. The venture is a unique one and has interested many people in central Illinois. The geese feeders say that the only trouble in raising these fowls is in giving them enough to eat and that persons inexperienced in this business "have no true conception of the appetite of a healthy goose."

Bankers Market High-Priced Cattle

H. H. Harris, president of the First National of Champaign, recently placed four carloads of fat cattle on the Chicago market which sold for \$10.10 per hundredweight. This price is the highest which Mr. Harris has ever received for cattle and he has been in the cattle business for forty-five years. The fat cattle raised on the Harris farms have been money-makers for many years and this project, like all of the Harris projects, is carried to a high state of commercial perfection.

Another down-state banker who has recently come into the Chicago market with high-priced cattle is A. W. Bragg, president of the old private bank of Bragg, Helm and Company of Tuscola. Mr. Bragg has marketed some good cattle at figures over \$10 per hundredweight and naturally is proud of his achievement. He owns about 2,200 acres of choice Douglas county land around Tuscola. Private banks like that of Bragg, Helm and

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Company have never caused depositors heartaches. Mr. Bragg is interested in several other private banks near Tuscola.

New State Banks Licensed

The state auditor has issued a permit for the incorporation of the Good Hope State Bank in a village of the same name near Macomb, McDonough county. The bank will have the usual capital of \$25,000. Henry A. Allison, Alvah Allison and James Statler are given the permit.

Threshing Delayed

Farmers throughout the state have undergone a trying time in attempts to thresh their oats. Long continued rains with most of the oats shocked in the fields have caused much anxiety to bankers and farmers. Harvest returns consequently are late and a feeling of conservatism has been noticed in country banks. Anxiety is likewise felt about the safety of the corn crop as the steady rains have a tendency to keep the corn green. It generally is conceded that considerably delayed frosts will be absolutely necessary to the safety of corn as the crop is late and has been held late by so much rain. However, with no killing frosts until about October 1st, or thereabouts, there will be a large and satisfactory crop yield. Pastures have been good all summer, straw is abundant and feeding conditions are much easier than they were a year ago. In general farmers are well satisfied with the results of the year so far, considering there has been so much freakish weather conditions. With an especially late spring, an unusually cool summer for the most part, and floods of rain, the season has been a peculiar one to say the least. An optimistic tone prevails, however, throughout the corn belt of Illinois. Politics worry people far less than weather conditions and farmers and bankers are watching the fields with interest and considerable anxiety. The hot weather of the past week has been of great benefit to the corn and with ten days' dry weather the oats will be safely threshed.

Kansas Banker in Illinois

Walter D. MacAllister, cashier of the Union State Bank of Arkansas City, Kansas, motored to Lincoln, Illinois, where he formerly resided, for a visit with old friends. Mr. MacAllister came around through Iowa and found plenty of rain with bad roads. He was accompanied on the trip by his wife.

Some High Prices for Land

A farm of 240 acres near the town of Hudson, McLean county, sold recently for \$280 per acre. This land is far enough away from Bloomington so that it has no suburban qualities and is strictly an agricultural proposition. There were three heirs who held the farm and the land was sold to settle up the estate.

Another farm near Lincoln was sold at \$250 an acre, there being 240 acres in the tract. Prices for choice central Illinois land rule firm and good judges believe that they will continue to do so, and probably to advance.

Alton Railroad to be Improved

B. A. Worthington, the new executive of the Chicago and Alton, is very optimistic about the prosperity of the territory served by his road and of the West in general. He states, however, that it will take two years to place the Alton on a satisfactory revenue earning basis as there will be large expenditures in order to place the tracks and equipment in first class condition. Track elevation in the cities of Chicago and Joliet is receiving considerable attention this year. The management will probably devote about \$1,000,000 this year to deferred maintenance while about \$2,500,000 will probably be expended for improving shops, terminals, yards, and in grade revisions. There is strong competition for the business between Chicago and St. Louis and with the Alton, Wabash, Illinois Central and Chicago and Eastern Illinois all bidding for shares of

it, the four roads find it necessary to maintain the best of equipment and trackage.

Alfalfa Congress at Petersburg

The Illinois Alfalfa Growers Association met in Petersburg Thursday with widespread interest manifested in this important topic. About 500 delegates had been asked to attend the sessions. This is a live topic with progressive banker-farmers in Illinois.

A. I. B. Convention

The American Institute of Banking held its tenth annual convention in Salt Lake City on August 21st, 22d and 23d. A large number of delegates and visitors were on hand, and the sessions were greatly enjoyed by those in attendance. The boys were fortunate in securing for their program such a large number of excellent speakers, all of whom delivered extremely interesting addresses, which were loudly applauded. The delegates were welcomed by Governor William Spry, Mayor Samuel C. Park and W. S. McCornick, president of McCornick & Co., bankers. They were addressed by the Hon. D. A. McKinlay, surveyor of customs, San Francisco, whose remarks in part will be found elsewhere in this issue. The addresses of Mayor Park, W. S. McCornick and President Raymond B. Cox also will be found in this issue, as will the report of the chairman of the executive council.

Talks also were made by Judge Edward F. Colburn of Salt Lake, Senator Borah of Idaho and Dr. David Starr Jordan, president Leland Stanford, Jr., University. Secretary Farnsworth of the A. B. A. was unable to be present on account of being too busy preparing for the Detroit convention, but he sent a letter of greeting which was loudly applauded. Col. Farnsworth has attended all of the conventions of the institute since 1907, including that year. He complimented the boys on the manner in which they conduct their conventions. He believes that their sessions are business-like; that the delegates are prompt in attending the meetings, and that they do not let anything interfere with the business sessions of their body. He believes that the matter of systematic educational work should be paramount and is gratified to learn of the growth of the institute.

A fine list of entertainments was provided for the occasion, and everybody present enjoyed himself to the fullest extent.

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Despite the prospect of an extraordinary yield of grain this year, Milwaukee grain men predict that the early crop movement will not be as lively as at first expected. Secretary H. A. Plumb of the chamber of commerce sums up the reasons for this stand as follows: "The prices of all grains are lower now than they were last year, and in consequence farmers will not be disposed to market their products, but instead will doubtless hold off for a time. The farmers' bins are pretty well cleaned out, and it is expected they will fill them and hold the grain while the present low prices prevail. Of course there will be plenty of new grain handled by shippers despite these conditions, but it is not expected that the big movement will begin until thirty or sixty days hence. From all points in the Northwest come reports of bumper crops, with the possible exception of corn. Wheat seems to be in for a wonderful crop, the government estimate placing the average considerable above that of 1911. Oats also come in for a big gain. It will be a few weeks before the spring wheat begins to move and until then prices here may rule high, owing to light receipts. Oats are expected to begin moving inside of two weeks and big shipments are anticipated."

Bank Examiner for City Government

A bank examiner for the city government is the practical intention of Alderman F. C. Bogk and Mayor Gerhard A. Bading in their efforts to create the office of commissioner of efficiency and accounts. The ordinance creating

the office will come before the common council Monday night. The duties of the prospective appointee will consist of making frequent audits of the city's books in all departments and installing a uniform system of accounts for the city government.

Should Adapt Themselves to Needs of Public

Supporting District Attorney W. C. Zabel in his assertion that banks should remain open on Saturday afternoon and night for the benefit of the thousands of laborers paid each week by check in Milwaukee, the Evening Wisconsin in an editorial this week urges the banks as popular institutions to adapt themselves more to the needs of the public.

"The day has gone by when acquaintance with bank checks was confined to the very rich and those engaged in commercial operations," reads the editorial. "Dealings with banks have increased enormously, which is a good thing for people engaged in the banking business as well as in many ways a convenience for the general public. The practice of liquidating pay-rolls of large concerns by giving checks instead of money, which has become almost universal in recent years, possesses many advantages. But there is a phase of the check system to which the employees object and that is the delay to which it puts them in turning their checks into money. To make payments by check as convenient as payment by money there should be provision by the banks for the cashing of checks at hours when the workmen can go to the banks. What

happens now is that a very large proportion of Milwaukee workingmen depend upon saloon keepers for the favor of converting their checks to money. In the case of men convivially inclined the necessity for cashing pay checks in saloons looms up in the form of a weekly temptation which is dreaded by their wives and which they themselves in many instances would gladly escape. Bankers as a class are no more lacking in public spirit than other citizens. Let them take into consideration the opportunity for enlarging their contribution to public convenience which exists in the direction noted."

To the A. I. B. Convention

Milwaukee delegates to the tenth annual convention of the American Institute of Banking in Salt Lake City this week include: H. J. Dreher, Marshall & Ilsley; A. Casper, First National; George Grieb and A. Netter, Wisconsin National; H. Schulte, Wisconsin Trust Company; P. A. Froelich, Germania National; A. Scheer, Second Ward Savings; and Charles Brew, National Exchange. The delegates joined others from the South and Middle West at Chicago, proceeding to Salt Lake City in a special train.

George D. Bartlett Back

Secretary George D. Bartlett of the Wisconsin Bankers Association returned this week from a two weeks' visit at Island Pond, Vermont, his birthplace, and the scene of his boyhood. George returns refreshed for the work



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

awaiting him in completing arrangements for the Milwaukee bankers' special to the A. B. A. convention in Detroit.

Harry J. Brown

Harry J. Brown, cashier of the Stephenson National, Marinette, has been appointed director of the National Exchange Bank, Milwaukee, to fill the vacancy left by the death of Jacob E. Friend.

Wisconsin Notes

James Campbell, St. Louis, president of the North American Company, visited Milwaukee this week on his monthly inspection of the affairs of the Milwaukee Electric Railway and Light Company, a subsidiary property of the North American.

The State Bank of Clinton was incorporated this week with \$35,000 capital. W. A. Mayhew, H. S. Anderson, and W. O. Newhouse are the incorporators.

The First National Bank of Appleton has purchased the old Appleton Opera House site for the erection of its new \$100,000 building.

Resources of the three Marshfield banks have increased \$200,000 in the past year.

NATIONAL BANK AT ANNAPOLIS

The private bank at Annapolis, Ill., which was suspended a few weeks ago, is to be succeeded by a national bank, the organization of which has already been perfected. The capital stock of the new institution is \$25,000. The officers selected are well known and substantial citizens of the town and vicinity, as are also the stockholders. The president is William Hart; vice-president, L. C. Wilbert; cashier, J. B. McKnight. The latter, who has had experience in the banking business, having been for some time connected with the First National Bank at Oblong, is to be in charge of the business of the new bank.

USED ROOSTER AS SAVINGS BANK AND THE BANK FAILS

Philip Downer of Coatesville, Pa., saved up \$100, got it all in one bill and tied the bill under a wing of his pet rooster for safe keeping.

The rooster got into a neighbor's yard, had a fight, lost the \$100, and now Downer has to go to court to prove that the bill the neighbor found is his.—Texas Record.

Colorado Convention

Pueblo, August 20th.—The Colorado Bankers Association has just concluded its eleventh annual convention at this place, the sessions being held in the Congress Hotel. Acting Secretary George T. Wells, chief clerk of the Denver National Bank, made a hit with his duplicate registration system. He successfully used this system in the conventions of the National Real Estate Exchange and American Society of Certified Public Accountants recently held in Denver. By this method delegates or guests can be located according to name or address. Being able to obtain complete information at a minute's notice is especially appreciated by the traveling representatives of large city banks. A very large number of bankers were present at the sessions, the attendance being double that anticipated. The principal speakers were the Hon. Charles G. Dawes, ex-comptroller of the currency, and president of the Central Trust Company of Illinois, and William J. Burns, head of the Burns National Detective Agency, New York. Both of these gentlemen were enthusiastically received. Mr. Dawes talked on "Investments and Their Philosophy," and Detective Burns, whose organization has the contract for the protection of the members of the Colorado association, told of his work in that behalf. One of the most important subjects discussed at the convention was the law passed by the last legislature providing for the investment of state school funds in the securities of irrigation enterprises, which always has been a mooted question among bankers.

The Hon. Alva Adams, president of the Pueblo Savings and Trust Company, who for a number of years has been very prominently before the Colorado public, delivered his opening address, in which he welcomed the delegates and visitors to the city. He stated that the bankers came to their convention with peace and prosperity written on their banners, and are the apostles of conservatism, while other conventions all result in an atmosphere of excitement. He pointed out the necessity of calm judgment and discretion on the part of the bankers. As a custodian of other people's money, a banker is not permitted to invest in hazardous enterprises. He declared himself in favor of a strict banking law, and pointed

out that if the law always were complied with there would be no failures. The banker who travels the straight and narrow path is just like any other individual. He sees but one menace to the strength and stability of banks as they exist to-day, and that is the tremendous floatation of commercial paper. The merchants and manufacturers are encouraged to over-borrow by the brokers who have developed a market for their notes. He believes that if a drop comes in business prosperity the shrinkage in this sort of paper will be great. The facility with money can be borrowed and the low rates induce over-stocking and over-building, and improvements and stocks are through cheap money maintained at a par maximum. The business of banking is one in which nerve and bluff are at a discount. Banks must be based on something besides optimistic dreams. A bank examiner is not liable to look very favorably upon that class of securities. Mr. Adams concluded his talk by stating that the country was about to experience a great period of prosperity, and that in his opinion the political situation would have but little effect.

Talks also were made by Colonel James A. Lockhart and the Hon. Robert W. Bonyng. Papers were read by Messrs. Henry Cohen, M. M. Schayer and J. B. Geijsbeek. This morning the delegates were the guests of the Pueblo bankers on an automobile tour through the city, including a visit to the steel works. One of the features of the entertainment provided by the Pueblo hosts was a buffalo barbecue served at the Mineral Palace. After the barbecue drawings were held for a mounted buffalo head valued at \$500; a buffalo robe valued at \$200 and mounted buffalo feet valued at \$100. Tickets were given free to delegates upon registering. The convention was closed with a ball at the Congress Hotel this evening.

PRIVATE BANKERS PLAN A CAMPAIGN

Private bankers of Ohio are planning to wage a campaign throughout the state against the constitutional amendment, which provides that banking institutions which are not regularly examined by the state or national examiners be prohibited from using the terms "banks, bankers or banking," in their firm names. The first steps in the organization of their campaign plans were taken a few days ago at a meeting held at Columbus.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Aug. 22d.—St. Louis bankers report a good, steady demand for funds, both from city and country, and heads of several of the leading nationals look for the country demand to continue steadily from now until the return flow begins after the marketing and movement of crops. Generally speaking, the week has been one of the most satisfactory from the banker's viewpoint in two years or more. Offerings of commercial paper are abundant, and there is little difficulty experienced in getting $5\frac{1}{2}$ per cent on the very choicest names, which, with brokers' commissions out, means practically 6 per cent. The East is offering bills freely at this center, and local concerns are also in the market for goodly sums. This, coupled with some inquiry from the railroads, and the agricultural needs, gives ample field for the employment of all available funds at very flattering rates. It would seem that the banks have at last come into their own, and the institutions which have been husbanding their resources for months past, in order to place them now and later on, displayed much wisdom. Business activity here and in the surrounding country has augmented in a marked degree since the first of the month. Politics are no longer able to stem the tide of revival, which has been let loose by the huge crops. Wholesale houses report that the number of country buyers in the city now is the largest in the history of their industries, and orders are large, and placed on more liberal lines than heretofore. The conviction seems well established that the farmers are going to have plenty of money to spend and will proceed to spend it. This money will go into raiment, foodstuffs, some luxuries, and particularly into farm improvements. Agriculturists, like the railroads, have been inclined to allow their equipment to run in arrears during the last three years, and both now must expand in this direction in order to handle their affairs in the future. Weather has been all that could be desired in this section for the advancement of corn, which is now the chief point at issue. Moisture has been plentiful, and there has been sufficient high temperatures to promote growth. Clearings here have held up in excellent shape, the total last week being \$79,500,320 against \$67,771,887 for the preceding week and \$67,115,157 for the same week a year ago.

Sees Big Missouri Crops

Recent rains, which have been general throughout this state, have been most beneficial, and as a result of them and the present ideal growing weather, Missouri farmers this year will garner a bumper crop of corn and

hugh small crops, according to William Hirth, president of the Missouri Federation of Commercial Clubs, with headquarters at Columbia and St. Louis. "These rains," said Mr. Hirth, "mean millions of dollars to the Missouri agriculturist. In certain sections the dry weather did some damage to early corn, but the recent moisture insures one of the greatest corn yields in the history of the state. I would not be surprised to see a total output of 250,000,000 bushels, which at 50 cents a bushel, the lowest price likely, will mean \$12,500,000 added to the wealth of the commonwealth. Last spring it looked as if our wheat crop would be a failure, but favorable weather has worked wonders, and the yield of the state will not fall short of 25,000,000 bushels, in my opinion. The oats crop is a record-breaker, while the hay crop is the largest in years. In addition there are other important crops, such as cotton, potatoes, tobacco and fruits, the value of which will run into millions. There is an apple crop on the way which will eclipse that of former years, and while it is hard to estimate this, I would place the total at 50,000,000 bushels. When you add \$50,000,000 to the foregoing for surplus live stock, it will be seen easily that the Missouri farmer is likely to have some money to spend next winter. I feel confident St. Louis business men will have the greatest fall and winter trade which they have experienced in a decade or more. Politics can not block the coming prosperity, for all these millions emptied into trade channels must make things hum."

Bank Looters Live in Style

Advices from Russellville, Ark., tell of the discovery in the foothills of the Ozark Mountains of the rendezvous of alleged yeggmen who have been operating in Arkansas, Missouri, Kansas, Nebraska and Illinois. In this strong retreat the gentlemen of the jimmy have been living for months in lordly style.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

They kept blooded stock, drove elegant carriages and automobiles, which were the admiration of the simple cracker natives about the neighborhood. As many as eighteen were known to have congregated there at one time. An aged farmer, who was paid a salary as caretaker, knew as little about them as his neighbors, although he "reckoned" they acted suspiciously at times. In the house were discovered kits of the latest model burglar tools and a veritable arsenal of weapons and ammunition. Little Rock police believe the capture of part of this gang, and the breaking up of their retreat, will go a long way to reduce the number of bank robberies in the Middle West.

The St. Louis Chapter

Work done during the past few months by members of the St. Louis Chapter of the American Institute of Banking was calculated to bear fruit at the Salt Lake Convention. Work for the candidacy of B. W. Moser has been quietly pushed, and assurances of support from numerous other cities were in the hands of the local committee several weeks ago. The St. Louis delegation to the convention was composed of F. C. Ball, Mississippi Valley Trust; Ralph Bugbee, S. B. Blair and O. A. Rowland, also of the same institution; F. L. Johnson and Henry Aehle, Mercantile National; W. L. Wilkinson, Mercantile Trust; L. C. Bryan, Boatmens Bank; W. C. Unger, Commonwealth Trust; J. W. Meier, Franklin Bank; J. E. Urig and B. W. Moser, St. Louis-Union Trust.

Big Gain in Freight Movement

As an indication of returning prosperity here and in the surrounding region, local financiers point to the showing made in the movement of freight in and out of St. Louis for the first six months of this year. According to the figures compiled by Eugene Smith, secretary of the Merchants Exchange, the movement shows a gain of 1,419,888 tons over the same period a year ago. This is an increase of 6.4 per cent. Total receipts were 14,189,602 tons, a gain of 531,967 tons, while shipments aggregated 9,400,476 tons, an increase of 887,921 tons. Both receipts of inbound freight and outgoing shipments of railway tonnage for 1912 surpass all previous records for St. Louis, with the exception of 1910. With the enormous crops and increased business expected this fall and winter, Mr. Smith believes the total for the year will exceed that of any previous twelve months. July shows a substantial gain over the same month in 1911, and it is more than likely that the

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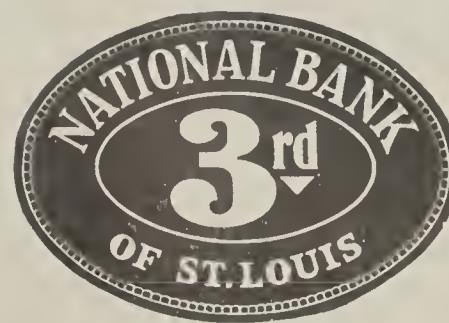
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same ratio of increase will continue until December 30th.

Carries Secret to Grave

Isaac N. Rogers, for nearly fifty years connected with the Chrisman-Sawyer Bank of Independence, Missouri, died this week. In 1867 this bank was robbed of \$20,000 in gold by bandits, believed to have been either the James boys or Quantrell, the famous bushwacker. The robbery was a daring one, the bandits entering and appropriating the gold, then locking Mr. Rogers and William McCoy, president of the bank, in the vault. A few days after the killing of Jesse James a man went to the bank and told Mr. Rogers who the robbers were and how the \$20,000 was divided. This information Mr. Rogers never divulged, although frequently pressed to do so. He would never even say whether his silence was due to a promise or fear of retaliation by the thieves should he inform on them. Friends, however, who knew Mr. Rogers' fearless nature, attribute his silence to his having passed his word to maintain it.

F. W. Hill Injured

F. W. Hill, vice-president of the Hodiamont Bank, was badly burned on Sunday night when a gasoline tank attached to his automobile exploded. The accident happened in the garage at the rear of his residence. Mr. Hill discovered the tank was leaking, struck a match and held it near the tank. An explosion followed and the burning oil was scattered about the building. Mr. Hill's injuries were dressed by a physician, who pronounced them not fatal.

Application to organize the National Bank of Gordonsville, Gordonsville, Va., capital \$25,000, has been approved.

AMBASSADOR HERRICK REPORTS ON WORK

Washington, August 20.—Ambassador Herrick at Paris has reported to the state department that in his work of investigating the co-operative credit systems of Europe he has the voluntary assistance of Edwin Chamberlain, of San Francisco, as representative of the American Bankers Association, and John D. Dillon, president of the Agricultural Association of New York. These men are giving their services gratis simply to assist Ambassador Herrick in the compilation of his exhaustive report on European co-operative credit systems which it is proposed to make the basis of some system of land mortgage banks to be organized in this country.

Mr. Herrick also reports that E. N. Breitung, of Marquette, Mich., and Breckinridge Jones, of St. Louis, Mo., are now en route to Paris and will add their services in the work of investigating this question. Mr. Breitung is interested in the ore business in the Northwest, and considers that the co-operative credit system will work wonders in the development of the waste lands of the Northwest, which for years have remained undeveloped, in his opinion, largely on account of the lack of cheap money. Mr. Jones is also a man of independent fortune, and has volunteered to help Mr. Herrick simply because of the great benefit which he, as a banker, believes will accrue to

the American farmer and, through him, to the entire nation through the adoption of the co-operative credit system in the United States.

Two other men have placed themselves on Ambassador Herrick's auxiliary staff—Todd Ford, of California, and Mr. Ingalls, son of ex-Senator Ingalls, of Kansas. Neither of these men is receiving compensation for his services. Mr. Ford is preparing himself for the diplomatic service.

The services of these men, Ambassador Herrick believes, will enable the embassy to so push the work of the compilation of the various reports which will be sent in by the American diplomatic officers that the final report will be ready for President Taft by October next, which will probably give him an opportunity to submit his legislative views at the next session of congress, which convenes in December.

CENTRAL TRUST APPOINTED RECEIVER

Central Trust Company of Illinois has been appointed receiver for Richheimer & Co., South Water Street coffee merchants, against whom a bankruptcy proceeding recently was filed by their creditors. The failure of the firm is attributed to manipulations of the coffee market by the so-called Brazilian trust. Richheimer & Co. were one of the largest coffee importing houses in the Middle West.

State Comptroller Solmer of New York has appointed Henry W. Rosenbloom of Rochester as an examiner of transfers of stock at a salary of \$1,700 and expenses.

Gus Seltz, Jr., of Waconia, Minn., is now assistant cashier of the Peoples State Bank at Thief River Falls.

BUILDING A BANK

and equipping it is a very important proposition. The Bankers' Engineering Company, 504 Monadnock Block, Chicago, will mail free to interested bankers a pamphlet containing valuable suggestions relating to Bank Buildings and Interior Equipment Work.

Editorial Comment

NEED FOR REVISED PATENT LAW

There may be some who, from lack of observation, have no decided convictions upon the necessity for a revised patent law. If in doubt read the inscription on the next package of safety razor blades you purchase. Even the private owner is forbidden under the patent law from re-honing or re-stropping the blades. He is subject to suit at law and strict penalties for so doing, because the patent law says so. Recently a user of a multigraphic printer spent thousands of dollars to defend himself because he used on the printer a brand of ink which was not furnished by the patentee. He won his case, the first on record, and started the present reform movement in congress, toward a better law. The new law should abolish all such restrictions so that the owner of a harvester machine could use any brand of oil or any binder twine he saw fit. So that the owner of a razor blade could strop it on his boot-leg if he wanted to, and the man who bought a printing press or a shoe-making machine could buy his supplies in the open market. He also should be able to use any sort of telephone extension or office device his business required in connection with the public service wires of his city. An American citizen should have all of his personal rights restored and all patent law monopoly should be destroyed.

The house committee on patents has made a report defining three broad classes of abuses of patent rights under the existing laws, as follows:

1. The evils arising from the vender of a patented article fixing the price at which the article must be resold to the public.
2. The evils arising from the venders of patented articles prohibiting their use except in connection with other unpatented articles purchased from them.
3. The evils arising from owners of patents suppressing the same or prohibiting their use in order to prevent competition with other patented or unpatented articles sold by such owners of patents.

The decision in March was only a 4 to 3 victory for common sense in business and for civic rights. Chief Justice White in commenting on the case advised a revision of the patent laws. The automobile industry had but a narrow escape from becoming a patent monopoly. But for the intrepid Henry Ford who spent a half million rather than to be put out of business, you would to-day be buying just such cars as dealers were permitted to sell, and at a monopoly price. It would be like your Eastman kodak. No matter how flimsy or how behind the foreign car, the patent law and the tariff would enable the trust to dictate terms to both dealer and user. They would tell you the kind of grease, the make of tires, whether or not you could use left-hand drive or have high gear or low.

This whole subject will come up at the

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

short session of congress, in December, and there should be a lot of agitation in the meantime so that justice shall be restored.

FROM AN INDEPENDENT VIEWPOINT

A splendid editorial review of the presidential timber now standing in the American political front yard has included a summary of the "good points" of Woodrow Wilson, one of the old party nominees, for the readers of World's Work. This is a nonpolitical, high-class, independent publication. Of Governor Wilson it says:

Governor Woodrow Wilson—a scholar in government, with historical and political perspective; a man of profound convictions, holding that there should be no class that shall receive privileges from the government; regarding boss rule and the private conduct of public business as the worst crimes against political society; trustful of the people, a democrat in fact; with brief but eminently successful executive experience (the New Jersey of to-day being a wholly different political community from the New Jersey of two years ago); courageous because he has fundamental convictions and a sturdy seriousness of character; a man of high ideals to whom politics has a profound moral significance; a man with a definite, well-reasoned program, to whom our institutions and our national life are living organisms; his political creed, therefore, a working creed to fit present problems and not a set of fixed formulas; courageous for conscience's sake and not from sheer love of fight; modest as regards his personal relations and fortunes and, therefore, handicapped in a rough race by a hesitancy, having the modesty of a well-bred mind and the humor of a philosopher; the most convincing public speaker in political life, master of exact language without pedantry; not favored by those who for any reason wish the government to be a dispenser of favors or wish it to be conducted by professional cliques or

bosses; a man of stern stuff, resolute, gently bred and, because of his combination of force, dignity, and grace, in a class by himself among the candidates for the presidency; so clearly right-minded and right-tempered that, if there were a clear-cut presidential primary in all the states, he would probably win the nomination with no second in the race.

It will do any American real service to thus acquaint him with the strong points of the one candidate about whom he knows less, perhaps, than about either of the other two. Wilson is considerably more than a possibility in the presidential line.

PRESIDENT CHARLES H. MARKHAM

There hasn't been a dull moment in Illinois Central Railway circles since Charles H. Markham was made president. The period hasn't been long, yet a keen observer has said: "Yet scarcely has a day passed, that there have not been made new and much needed improvements, in connection with the service in general. Mr. Markham is a progressive railroad man, and most valuable to a line holding properties rich as those of the road of which he now is president."

To better cope with the work and put in force many projected plans for a still higher efficiency Charles M. Kittle has been appointed "assistant to the president of the Illinois Central Railroad." President Markham is responsible for the appointment which will add greatly to the strength of his organization, as Mr. Kittle is considered a very able man.

F. R. Elliott

F. R. Elliott, treasurer of the Harris Trust and Savings Bank, Chicago, is out of the city on his vacation. Mr. Elliott is up in Wisconsin and will be back in about a month.

NEWMAN ESSICK VISITS CHICAGO

Newman Essick, cashier of the Commercial National of Los Angeles, Cal., was in Chicago's financial district this week. He says that conditions in California never were better. A great period of prosperity is anticipated, and a strong feeling of optimism prevails. There is a good, strong and healthy demand for money at good rates. It also is expected that the Panama Exposition in 1915 will result in greatly increased business and industrial activity. Mr. Essick says that Los Angeles is a thriving, busy city, its population having trebled during the past ten years. He is very prominent in banking affairs on the Coast and has a wide acquaintance among bankers throughout the United States.

JAMES M. HURST RETURNS FROM VACATION

James M. Hurst, assistant cashier of the National Bank of the Republic, recently has returned from his vacation. He reports having had a delightful time, and is looking fine.

J. W. Marsh, president of the Exchange National, Pittsburgh, is spending a few days in the country near Coshocton, Ohio.

Convention Dates

NEBRASKA—Omaha, August 26 and 27; Secretary, Wm. B. Hughes, Omaha.

American Bankers Association — Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

It is especially desirable, owing to the unprecedented volume of grain business in prospect, that those having no facilities for direct service in Minneapolis should arrange a connection at once. This bank has an unexcelled system for the prompt presentation and collection of grain drafts and other bill of lading paper and invites correspondence with those desiring the best of service.

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FARM IMPROVEMENT IN SOUTH-EASTERN IOWA

The bankers, the business men and the farmers of Scott county, Iowa, are co-operating in a movement to increase the volume and value of the farm products of the county, which, while being of greatest primary benefit to the actual tiller of the soil, will, it is believed, have an extremely beneficial effect upon all branches of business.

Hon. A. F. Dawson, president of the First National Bank of Davenport, the first institution in the United States to begin operations under the national banking act, is the leader in the movement. After discussing with prominent and progressive farmers in the county the advantages of organized farm improvement work under the direction of an expert, Mr. Dawson, by correspondence with the federal agricultural department in Washington and by personal investigation, convinced himself of the remarkable results that had followed such organized work in other sections of the country.

While Scott county stands extremely high in the volume and value of its farm products, Mr. Dawson realized that the extreme fertility of the soil and the climatic and other advantages warranted the belief that a properly conducted scientific farming campaign among the rural population was bound to develop even better results. Securing the co-operation of the big farmers in the fifteen townships he toured the county by automobile with Secretary I. C. Norwood of the Greater Davenport Committee, organized meetings in the various towns and aroused the interest of the farmers to a high pitch. These township meetings were followed with a great gathering at the Davenport Commercial Club, where the Scott County Farm Improvement League was organized.

Mr. Dawson was unanimously elected chairman of the executive committee of the league. Another member is Col. G. W. French, owner of the famous Iowana Farms, in which more than \$500,000 is invested, and where progressive experiments in agriculture and stock breeding have been carried on for the last three or four years. The other members of the committee are Dr. J. T. Haller, a leading physician of Davenport, and C. W. Lau and Chris. Marti, two of the most successful and progressive farmers of Scott county.

The first duty of the executive committee was to select an expert to take charge of the farm improvement work, and after looking into the qualifications of the men available for the position, they made a contract with Dr. G. R. Bliss, horticulturist at the Iowa State College at Ames. Dr. Bliss will take charge of the work September 1st. He is a young man but has made a careful study of agricultural extension work and is endorsed by the

bureau of plant industry of the department of agriculture in Washington as "the best man who could have been selected for the position."

In making its plans for financing the county work the executive committee of the league decided to raise one-third of the \$3,000 necessary for the first year's work among the farmers of Scott county outside of Davenport. Another one-third has been raised in Davenport itself, among the business men of the city who have rallied enthusiastically to the support of the league's work. Another \$1,000 has been contributed by the agricultural department at Washington from the \$300,000 for county aid carried in the agricultural appropriation bill recently passed. Indeed, Scott county was the first of all the counties of the United States to receive a promise from the agricultural department at Washington of this financial assistance from the amount carried in the new bill.

According to present plans the work will continue for three years, necessitating an expenditure of \$3,500 the second year and from \$4,000 to \$5,000 the third year. Every one connected with the league is confident that at the conclusion of the three-year period any amount of money necessary can be raised to carry on the work indefinitely in the future. That at least has been the experience of other counties that have taken up this organized farm improvement work, as the results achieved have been so remarkable that even those who at the inception of the plan have not been enthusiastic, have later clamored to join in the movement and have offered their subscriptions.

It is of interest that the work of the crop doctor as outlined by Mr. Dawson and his committee shall be along the following lines:

Directing demonstrational and experimental work on the county farm or other land selected by the board of supervisors.

By careful tests finding the varieties of grain most suited to Scott county conditions, and raising these grains for distribution as seed at actual cost to the farmers of the county.

Assisting the county superintendent of schools, in his work of introducing agricultural instruction into the schools of Scott county.

Organizing and helping to manage short courses in agriculture and domestic science in several localities of Scott county annually.

Assisting in the formation and maintenance of clubs, societies, or other organizations among the rural people of Scott county.

Directing co-operative demonstration work among the progressive farmers who are willing to do such work upon their farms.

Visiting the farms of those who request his services and giving desired suggestions and information.

Organizing and directing the work of dairy tests associations if desirable.

Conducting spraying experiments with potatoes and fruit.

Toward eliminating waste and effecting economies in agricultural production in Scott county.

Co-operating in every way possible with all existing agencies, such as farmers' institutes, clubs, granges, fair associations, schools, churches, commercial clubs, etc., which strive to promote the material, social and educational interests of the people of Scott county.

The researches of Dr. Bliss and the results achieved in other counties indicate that before the three-year period in Scott county is at an end the value of the corn crop alone will have been increased by not less than \$100,000 a year as the result of the seed corn campaign, which the expert will inaugurate September 1st.

This seed corn campaign consists in part of a school to school canvass with the idea of enlisting the children of the farmers in the proper selection and testing of corn. Dr. Bliss will also endeavor to interest the farmers in the county in the growing of alfalfa, which he claims is one of the most profitable crops that can be raised in this section.

"Scott county," he says, "is well adapted for the growth of this crop and men who raised alfalfa last year report returns running from \$75 to \$120 per acre. Such yields will give dividends on \$500 lands. In fact, if the farmers of Scott county commence growing alfalfa extensively and make a success of it, there is every reason to believe that the land will soon reach the high price of \$400 to \$500 per acre."

(Continued on page 21)



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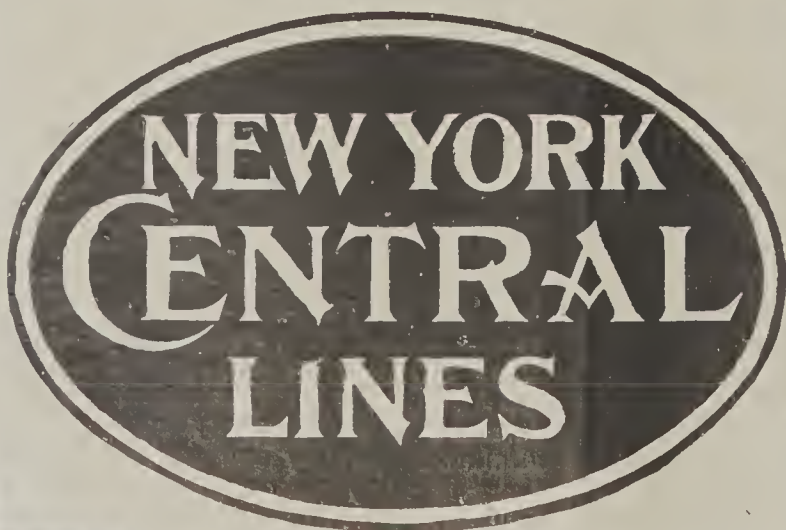
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MILWAUKEE

President Frank N. Briggs to the Colorado Bankers

There are at the present time 196 state banks, trust companies and savings banks and 130 national banks in Colorado. According to the figures compiled by our state bank commissioner, at the time of the last report, June 14, 1912, there was on deposit in all of the banks of Colorado \$141,510,737.13. Of this amount \$104,598,225.31 was on deposit in national banks while \$36,912,511.82 was on deposit in banks operating under state laws.

Representing as we do the largest aggregation of capital invested in any line of business in this state, a large portion of which belongs to our depositors, our deliberations must naturally be of wide public interest, therefore, the public is welcome to all our sessions. This has never been a secret organization in any sense. Our proceedings and expenditures have been published without reservation, open and above board, before the people of this state.

The bankers of Colorado are to be congratulated upon having passed through another year without any serious failures or financial disturbances within our ranks, and while there have been better years for business in Colorado, we really have no just cause for complaint as bankers.

Fourteen months have elapsed since our last convention. Momentous months, full of history all over the world. In China, Cuba and Mexico and in our own and other lands the spirit of advancement is at work. The world seems to be moving in great strides toward its final destiny—whatever that may be. Changes are being rung in all countries, and in all conditions and walks of life. It takes alertness and constant effort to keep abreast of the leaders in the great race of human changes and world-wide progress. The successful man is he who not only keeps up but has the good judgment to discriminate between the things that work for real prosperity and progress, and those that pretend to do so, but do not. A prominent candidate for president recently said: "Society is going, in spite of us, through rapid process of change. You have to run twice as fast, or stay where you are. I am not out of breath. I am sure you are not out of breath." I quite agree with him, and we bankers must not get out of breath, but keep in the running all the way to the finish.

Bankers in the Limelight

Every banker stands in the limelight of publicity in his community. He is in the very front ranks; on the firing line, I may say, of business warfare, whether he be in city or hamlet, large bank or small. It is his especial business, and whether he realizes or admits it makes no difference, to keep abreast of the times and stand for the soundest, best and safest progressiveness in his community, state and country. It is to the credit of our great profession, and the giant minds leading us, that generally this ideal is being lived up to by the bankers of our country.

Favor Sound Banking Legislation

The bankers of the United States are almost a unit in favor of legislation that will give to this country the very best financial and currency system in the whole civilized world. They are patriotically for such laws, and not selfishly so as some misguided people all over the land have been taught to believe. We want no special privileges, and ask for none. A square deal, in its fullest and broadest sense is all the bankers of Colorado and the nation ask for at the hands of the state and nation

Delegates to eleventh annual convention at Pueblo are told of conditions in the state which needs additional banking legislation. Wants number of new banks limited to actual requirements of communities and jumps on demagogues. Rates Colorado irrigation securities high. Wants "Blue Sky Law."

and with justice and right on our side, that is what we propose to have. Radical banking legislation helps none—and harms all. The welfare of our institutions demands laws that are fair and just in full measure to the people who are the patrons of the banks and upon whose welfare and prosperity the welfare and prosperity of the banks depend, but such laws



H. M. RUBY
Golden
Vice-President Colorado Bankers Association

must at the same time be fair and just to the banks as institutions.

By the report of the legislative committee you will learn what has been done in the way of local banking legislation. Colorado needs some additional banking legislation, but it should be along sane and sound lines and not radical and experimental. In order to make Colorado's banking department as effective as it ought to be the bank commissioner should be given more examiners and office help, and enough power to enforce reasonable requirements on banks that are not properly managed. To this end I wish to recommend that this association continue its efforts until a complete and satisfactory law shall be enacted and an end be put to the demagogic agitation from which we have suffered during the past four years.

Limit Number of Banks

In framing a new state banking bill, I think the banking department should be given authority to limit the number of banks that shall be started and have dictatorial power as to the licensing of new banks in communities where banks already exist.

I read recently that the church people are coming to realize that one prosperous church, of whatever denomination, is better than sev-

eral failures or semi-failures in a community and the leaders are now planning to systematize the establishment of churches so that the number will be limited to the needs of the community, to the end that all may be on a sound and proper footing, for the best work and service. Certainly, if churches realize the necessity of such a step as this, banks and bankers should also undertake to protect their business and see that competition does not operate to deprive them and their communities of the greatest efficiency and prosperity. The capitalization of state banks in large cities should be greater than at present. There is danger in too many small banks in a community. Weak banks are worse than no banks—and a failure of one generally affects all other banks in that community or state.

Denounces Demagogues

The permanent interests of banks and customers are not antagonistic and cannot be so. Legislation that makes it hard for the banks must and will prove harmful to the people. It is false teaching, and they are false teachers who teach the people that banks and bankers are their natural enemies, and here and now I vigorously denounce that doctrine as being false, malicious, and against the public good. No man comes into more confidential relations with his customers than does the banker. The very nature of their business dealings makes this condition. Bankers are not mere money makers. They are guardians, custodians, trustees and confidential agents of the people. Incidentally they make money as a profit or compensation for services rendered. There are some bankers, but very few, thank God, who do not appreciate the sacredness of their calling and the responsibility of their great trust. But where there is one of this kind, there are thousands who live their lives to the end deserving, receiving and scrupulously guarding, the sacred confidences of those who entrust their business to them.

Bountiful Harvests

Colorado is going to be blest with one of the most bountiful harvests in its history, this year. On every hand the earth is yielding generously to those who cultivate the soil. From orchard and vineyard, from farm and range come the most assuring and cheering reports. All this means prosperity for our people and therefore for the banks. Let us then consider briefly how we may best take advantage of these conditions with profit to ourselves, helpfulness to our customers, and the general welfare of our state.

Irrigation Securities

Maximum production of life's necessities brings maximum prosperity to the producing community. Agriculture, horticulture and stock raising provide the bulk of life's necessities.

The cultivation of the soil in Colorado depends largely upon irrigation. Then, what can we do to assist in the development of irrigation in this state? The business of irrigation is not new and experimental. It reaches back to the earliest days of civilization and marks the places where lived the most prosperous and influential people and countries in the history of the world.

What can be safer as securities for investments of money than first mortgages, on low valuations, covering rich land, well watered and cultivated, under such climatic conditions

(Continued on page 28)

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Although the consolidation of the Southwest National Bank and the National Bank of Commerce makes the Kansas City clearings about 4 per cent less than they would be if the two banks were separate, Kansas City bank clearings last week were the largest in many months past, and represented close to a high record of total business passing through the banks. Kansas City regained sixth place in American cities with \$58,899,000, an increase of 24.4 per cent. It represents a general increase in business stimulated by the movement of the big wheat crop and by the assurance of large yields of other crops. Omaha with \$16,594,000 had an increase of 18.8 per cent over a year ago; St. Joseph, Mo., \$8,256,000, an increase of 44.5 per cent. Other cities of the Central West enjoyed a proportionate increase in bank business.

M. H. Malott

M. H. Malott, president of the Kansas Bankers Association, returned from the Minneapolis conference more enthusiastic than ever on the subject of co-operation between bankers and farmers in advancing the interests of communities in which both are interested. The bankers of Kansas will be among the most active in assisting in the education of farmers toward better methods in agriculture. Mr. Malott, whose home is Abilene, Kas., said of the Minneapolis conference: "It is not the purpose of the association to attempt to teach the farmer a better method of farming, but to aid him in procuring needed legislation along lines that will place from one to three instructors from the agricultural schools and colleges in every county of the state, with demonstration farms within the reach of all. Co-operation with the agricultural schools, with the farmers' institutes, with the railroads with their demonstration trains and giving financial assistance, is the purpose of the bankers' movement in this case. The meeting was in the direction of helpfulness and a larger measure of prosperity. Kansas bankers are wide awake in this matter and are enthusiastic supporters.

Prosperity in Pacific Coast States

J. J. Heim, vice-president of the Southwest National Bank of Commerce, returned last week from a tour of the Pacific Coast states where he was greatly impressed with the material prosperity everywhere in evidence. "I have never seen such a wonderful prospect for prosperity as there is in the West this year," said Mr. Heim. "In Washington the mills and the lumbermen have had to quit taking orders for lumber. The demand far exceeds the capacity of the mills. The fruit crop is phenomenal, so much so that a great deal of it will

perish because the railroads have not enough cars to haul it away to market and a trip across the plains of Kansas is like coming through a forest; the crops are enormous. Kansas City should be busy and prosperous this fall as result."

Arrange for Group Meetings

Various committees representing groups of the Missouri State Bankers Association are now at work completing arrangements for the thirteen group associations and the annual meetings of these groups are held at short intervals beginning late in October. Group 10 with headquarters at Neosho will hold the first meeting of the series beginning October 25th. This will be followed by Group 11 at Springfield. The state convention of the Missouri Bankers Association will be held in St. Joseph in February. All group meetings will be held before that time.

At the Panhandle Bankers' Meeting

More than one hundred bankers attended the two days' convention of the Panhandle Bankers Association at Plainview, Tex., last week. Among the prominent visitors were: Messrs Jarboe and Godell of the Drovers National, Kansas City; Cashier Walton of the New England National, Kansas City; T. P. Martin of the Stock Yards National Bank, Oklahoma City and Col. Henry Exall of Dallas, president of the Texas Industrial Congress. Col. Exall was the chief guest of honor at the convention and his address on "Better Cultural Methods" was one of the best speeches ever delivered in West Texas. Bank Commissioner B. L. Gill of Texas urged upon the convention a strong support of the efforts being made to adopt a "blue sky" law for the Lone Star state. Amarillo was chosen as the next meeting place and the following officers were elected: president, O. L. Slaton of Lubbock; first vice-president, Joe E. Lancaster of Plainview; second vice-president, R. H. Collier of McLean; secretary, Ira Smith of Estelline and treasurer, G. A. F. Parker of Hereford.

Tootle-Lemon National Letter

According to the current financial letter issued by the officers of the Tootle-Lemon National of St. Joseph, Mo., business men throughout the Central West are taking a very hopeful view of conditions. "Merchants of this section," says the letter, "are restocking their shelves, and it is noteworthy that some large buying orders of this character have come from sources which not many months ago refused absolutely to provide thus for the future. In this way there has been a decided quickening of general trade, and although it has not yet reached the volume of very active years, it has been sufficient to indicate that the

country merchant is much more confident than he was a year ago and is evidently doing a better business than he expected to do at this time. Many of the great jobbing and wholesale houses located in this and other cities have booked a very good fall business. It is too early to estimate yet what its volume will be in comparison with that of other years, but the indications are that it will be considerably in excess of what it was at this time in 1911. The fact that the country's July bank clearances broke all records, and that cities outside of the metropolis made an excellent showing, reflects the revival in general trade that is now a most hopeful sign of the times. The presidential campaign is in full swing, but it may be said that politics is really a very small factor in the business situation. Merchants appear to have 'little time for politics,' and while the campaign is likely to be a spirited one general business has been very little disturbed by it. Leaving all partisan questions aside, it may be said that the letters of acceptance written by both President Taft and Governor Wilson were dignified, prudent and cautious in tone, and for the most part calculated to strengthen the business interests of the whole United States."

Texas Bankers Give Support

Peter Radford, president of the Texas Farmers union, says that Texas bankers have given hearty support to the union plan of handling "distressed" cotton in Texas. Arrangements have been made with the San Antonio bankers to lend farmers within a radius of 105 miles of that city enough money at 6 per cent to hold their crop for a good market. Bankers in all parts of Texas have offered their help and the whole state is covered. President Radford figures that five to twenty millions of dollars will be saved through proper and business-like handling of the cotton supply and the ability of the farmers to wait for the high prices for their staple. The plan leaves the farmers in control of sufficient part of the crop to prevent overloading the market. Through the backing of the bankers the farmers will be able to feed the market in such a way as to secure the proper reward for their labors. More warehouses are necessary, however, to make the plan, which makes cotton manipulation impossible, an assured success."

Will Co-operate with Bankers

The Texas State Real Estate Dealers Association in convention last week at San Antonio decided to co-operate with the two bankers associations of the state with a view to having a "blue sky" law passed by the Texas legislature. T. H. Barrow of Austin, a member of the legislative committee, submitted a report to the real estate men embodying a rec-

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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ommendation that Texas adopt the Kansas "blue sky" law practically as it stands. He said that this law has eliminated almost entirely the sale of stock in fake companies. Under it a company which seeks to sell stock to the general public is required, first, to submit to an examination by experts from the state bank commissioner's office. If it is shown to be a legitimate concern backed by capital and experience, in fact, a safe business venture, the license is issued to those selling the stock. Without this license no man dare undertake to sell stock, as it is deemed prima facie evidence his company cannot stand investigation, and, moreover, it subjects the agent to heavy penalties. John Richey of San Antonio was authorized to present copies of this bill to members of the legislature and to obtain as much publicity as possible for the movement.

Central West Notes

Julius Beckman, vice-president of the Fremont National, Fremont, Neb., died last week. He was one of the best known bankers in Nebraska and was prominent in the Masonic Lodge.

F. A. Wilcox has purchased the interest of F. S. Salls in the Farmers National of Abilene, Kan., and will become vice-president of that institution. A. N. Winkler has sold a controlling interest in the Commercial State Bank of Climax, near Abilene, to S. C. Dodd of Wichita, Kan.

After serving as president of the First National of Newton, Kan., for thirty-two years, S. Lehman has tendered his resignation to the board of directors. R. D. Seifkin will be elected to succeed Mr. Lehman.

Depositors of the Woods National of San Antonio, Texas, which failed November 7, 1907, were paid a final dividend last week of 2½ per cent by H. N. Morris who was appointed receiver for the bank at the time of its failure. The recent dividend amounts to \$18,310.54, making the aggregate payment \$714,242.19, or 97½ per cent on hand at the time the bank's doors were closed.

The Bank of Ingersoll, Ingersoll, Okla., was burned out last week and while the vault and safe were left intact the furniture and fixtures were completely destroyed.

William J. Bryan has presented W. C. Robinson, a Winfield, Kan., banker, a Wesley teapot on which is inscribed a prayer the Commoner said at a breakfast where he and Mr. Robinson were guests a year ago. Robinson admired the prayer and asked where it came from. Bryan said it was on the teapot which had belonged to John Wesley and promised to send it to the Winfield man.

Francis J. Fleming, former part owner and cashier of the Union State Bank of Shawnee, Okla., was arrested last week charged with taking from the bank a sack containing \$3,300 of the reserve fund in gold. Fleming had recently sold his stock in the bank. Confronted with the evidence Fleming weakened and dug up the money where he had buried it in a potato patch near town.

D. J. Scanlon, president of the First National and a pioneer druggist of Sidney, Neb., died last week.

Walter Williams, a negro, was arrested last week charged with attempting to steal a bag of gold containing \$500 from the First Na-

tional of Omaha. The police say Williams stole \$1,800 from a Kansas City bank some time ago but succeeded in making his escape.

George Liddell, formerly a newspaper reporter and now paying teller of the City National of McAlester, Okla., will give up banking and enter the ministry.

Thornton Cooke, vice-president of the Fidelity Trust Company of Kansas City, is spending his vacation with his family at Beach Haven, N. J. Before returning to Kansas City Mr. Cooke will attend the annual meeting of the American Bankers Association at Detroit early in September. He is a member of one of the important committees.

The First State Bank of Tuscola, Texas, was given a charter last week with a capital stock of \$10,000. Other state banks chartered last week in Texas are the First Guaranty State Bank of Denton with a capital stock of \$50,000, the Lumbermans Security and Trust Company of Waco with a capital stock of \$100,000, and the Guaranty State Bank of Kirvin, Freestone county, with a capital stock of \$10,000.

The Paducah State Bank, Paducah, Texas, has been nationalized as the First National Bank of Paducah.

The Texas banking department has approved the following reserve agents: for the First Guaranty State Bank of Quanah, the City National of Dallas and the Southwestern National Bank of Commerce of Kansas City; for the First State Bank of Ovalo, the Ballinger State Bank and Trust Company of Ballinger; for the First State Bank of Dawson, the Central National of St. Louis; for the First Guaranty State Bank of Pittsburg, the Coal and Iron National of New York City; for the Commercial Guaranty State Bank of San Augustine, the Union National of Houston; for the First State Bank and Trust Company of Laredo, the National Bank of Commerce, Houston; for the First Guaranty State Bank of Industry, the National Bank of Commerce, Hous-

ton; for the Peoples State Bank of Brazoria, the First National of Houston.

The following out-of-town bankers visited Kansas City's financial district last week: John Ogden, president of the Farmers Bank of Deepwater, Mo.; C. B. Harris, president of the Harris Banking Company, Harris, Mo.; C. K. Boardman, cashier of the State Guaranty Bank of Okeene, Okla.; C. O. Johnson, cashier of the Farmers National, Ponca City, Okla.; H. E. Warren, Bank of Grain Valley, Grain Valley, Mo.; A. S. Booth, assistant cashier of the First National, Pueblo, Colo.; J. J. Lindston, assistant cashier of the First National, Pleasant Hill, Mo., and Karl H. Woodward, assistant cashier of the Colorado National, Denver, Colo.

Managers of the Oakland "Fall Festival" have invited John F. Flack, president of the City National, Omaha, to deliver an address here on August 29th. Mr. Flack has accepted the invitation and will, it is understood, talk upon important phases of banking reform.

FARM IMPROVEMENT IN SOUTHEASTERN IOWA

(Continued from page 17)

It is in this feature of the county crop work that Mr. Dawson and his business associates are interested. A bank is, of course, extremely sensitive to even slight changes in the material prosperity of contiguous territory and if the work of the Farm Improvement League is successful in greatly increasing the volume and value of the crops of Scott county and materially increasing the price per acre of Scott county lands, it will more than repay Mr. Dawson and the other bankers and business men who have become interested in the movement for all the time and labor they have given to it.

H. H. Jones

H. H. Jones, sales manager, Harris Trust and Savings, is spending his vacation touring in his automobile.

BANKERS ENTERTAINED AT PITTSBURGH

About fifty bank attachés from eastern cities were entertained last Friday night by the Pittsburgh Chapter of the American Institute of Banking, first at the Hippodrome and later, from midnight until their train left at 3 o'clock in the morning, in the Union Club. The ten members of the Pittsburgh delegation left with their guests for their national convention in Salt Lake City. The party comprised: B. O. Hill, of the Second National; James A. Meade, Fidelity Title and Trust Company; W. G. Gundelfinger and William H. Johnson, Commonwealth Trust Company; F. G. Lancaster, Keystone National; J. E. Rovensky, First National; A. H. Copeland, Bank of Pittsburgh, N. A.; William F. Woestehoff, Terminal Trust Company; John Hughes, German National, and A. B. Sharpe, First National of Sewickley.

The Citizens Bank of Erlanger, Ky., has been incorporated. The incorporators are G. M. Buffington, T. M. Witt, Claude Slater, C. C. McCracken, A. B. Rouse, H. W. Smith, F. F. Gale and Ed F. Smith.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Judge Martin B. Koon, 71 years old, first vice-president of the Northwestern National Bank, died at 12:35 P. M., August 20th, at his home in Minneapolis. Arterio-sclerosis was the cause of Judge Koon's passing. In the city's history he took a prominent part. Associated from the beginning with the Twin City Rapid Transit Company he was a leading factor in its freedom from legal entanglement and as an advisor to the president, the late Thomas Lowry. In the directory of the Northwestern National he has been a wise counselor. In movements of a public character or semi-civic nature he was regarded as a necessary presence. Of the union station committee he was the head and his chairmanship of the meeting at which a year ago half a million dollars was raised for an art museum was the pivot. Said Joseph Chapman, Jr., vice-president of the Northwestern National: "Judge Koon was a man of high ideals with great love for the city, desire to see it grow, and become great, not only in numbers, but in civic virtues and civic beauty, and he was ever ready to give his time and labor for the advancement of any cause for the general good." He was a guest of honor at a dinner given January 5, 1912, for himself and President W. H. Dunwoody of the bank.

To the A. B. A. Convention

Northwestern bankers are preparing to reach Chicago in time to catch the bankers' special, September 8th, to Detroit for the A. B. A. meeting, September 9th. Among those who will go down are President D. C. Armstrong of the Minnesota Bankers Association, of Albert Lea; Kelsey S. Chase, state superintendent of banks, St. Paul, and Charles R. Frost, Minneapolis, secretary of the Minnesota association; George A. Du Toit, Chaska; M. T. Dunn, Brainerd; J. W. Wheeler, St. Paul; A. M. Ekman, Hendrum; V. H. Van Slyke, Metropolitan National, and Theodore Wold, Scandinavian-American National; W. F. McLane, Hennepin County Savings Bank; N. F. Hawley, Farmers and Mechanics Savings

Bank; J. S. Pomeroy, Security National; C. V. Smith and W. A. Durst, Minnesota Loan and Trust Company; Joseph Chapman, Jr., Northwestern National, and George F. Orde of the First National, who is a member of the transportation committee of the national association.

Commercial National Officers

Officers of the new Commercial National Bank of Minneapolis are: President, S. E. Forrest; vice-presidents, S. H. Bowman, Minneapolis, and S. J. Mealey, Monticello, Minn.; cashier, Guy C. Landis, formerly cashier of the Flour City National. The first board is as follows: Isaac Lincoln, Aberdeen, S. D.; R. W. Akin, Anoka, Minn.; H. F. Schultz, O. W. Schultz, H. A. Hogan and J. S. Porteous. The capital is \$200,000 and surplus \$50,000. The bank will open about September 5th in the Lumber Exchange building banking room. Mr. Forrest was president of the First National of Britton, S. D., before moving to Minneapolis.

Stops Off on Way to A. I. B. Convention

George E. Allen of New York, educational secretary of the institute visited Minneapolis on his way to the Salt Lake convention. He was guest at dinner in the Commercial Club of the officers and executive committee of the chapter. Mr. Allen also visited a meeting of the chapter at Grand Forks, N. D. The Grand Forks representative at the meeting is Christ Gilbertson of the First National, East Grand Forks. From Minneapolis went Gray Warren and L. W. Ainsworth of the First National Bank; George Stegner, German American; E. J. Kennedy and F. J. Mulcahy, Minnesota Loan and Trust Company; L. G. MacLean, Security National, and J. Cameron, J. A. McH. Guigan and Edward Phinney of the Northwestern National.

C. H. F. Smith

C. H. F. Smith, vice-president of the American National, returned from Montreal, has something to say about St. Paul's following

the lead of that city in its water front improvement. Canadian banking laws favor the invasion of the West Indies commercial and banking field by the Canadians to the detriment of bankers from this country, thinks Mr. Smith. He said: "Our laws prevent a bank from establishing branches, while the policy of Canadian firms in branching out is fostered by the dominion laws. The Canadians, I learned, are rapidly spreading their influence in the West Indies, territory which, by its proximity to the United States, ought to be occupied by American business men."

Canada's failure to adopt the reciprocity agreement was a great disappointment to the conservative and best-thinking men of Montreal and Quebec, Mr. Smith said.

The Canadians, he found, are bitterly opposed to the intention of congress to favor American vessels in passing through the Panama Canal, the men in the provinces alleging that this is unfair discrimination.

Mr. Smith said that the Canadian business men are keeping in remarkably close touch with American affairs, both commercial and political. From their point of view, Woodrow Wilson has the best chance of being the next president of the United States.

Credit of Minneapolis High in East

"The East is just beginning to find that we have a big crop out here," says H. T. Thrall of the Minnesota Loan and Trust Company. "They are beginning to hear about our farming prosperity and are expecting to do much business out here this year." He found the credit of Minneapolis high.

Boston Bankers in Minneapolis

That there will be money enough to meet demands when the grain movement begins and that present interest rates are likely to continue, is the opinion of Frank A. Newell of the National Shawmut Bank of Boston, who, with Charles H. Marston, another official of the bank, was in Minneapolis yesterday. They are making a trip through the

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country with the idea of getting a first hand view of the crop situation.

Best Crop in Twenty Years

According to P. J. Leeman, assistant cashier of the First National Bank of Minneapolis, who has returned from a trip through the Dakotas, oats in parts of South Dakota will yield as much as 100 bushels to the acre. "Farmers out there told me," said Mr. Leeman, "that they had never seen the like of it; they say they are harvesting what is in many ways the best crop they have had in twenty years."

Chicago Banker on Conditions

"General conditions are the best I have ever know them to be," said F. O. Wetmore, Chicago, in Minneapolis last week. "Business of all natures is booming and the business men are most optimistic. The demand for money is good and growing better. To me there seems to be but one possibility of an unsatisfactory feature in connection with the prosperity which this country now is due to enjoy. That one possibility, I believe, is a danger in which the railroads stand of being unable to handle the enormous traffic they soon will be called upon to transport."

"The crops this year may be the biggest in the history of the country—will be, in fact, if the predictions that have been generally made all over the grain producing territory prove accurate. This means that the railroads will be taxed to their utmost to handle the crop movement, not to speak of all the other freight that always has to be transported at this season of the year."

"I do not believe that the customary effects of presidential years have been felt in commercial circles to the slightest degree this year."

Northwest Banking Notes

F. A. Rising, connected with the Winona Savings Bank (Minn.) since its formation in 1875, and the cashier, died August 19th in Chicago after an operation in the Presbyterian hospital. The funeral took place Thursday.

Favorable crop outlook has had a strengthening effect on bank stocks. The Security National went up 5 points to \$450 a share; the First National is at \$285; the Northwestern National advanced 1 point to \$284 and the Scandinavian American National 4 points to \$136.

J. S. Pomeroy and S. H. Bezoler of the Security National Bank, George A. Lyon of the First National and W. F. McLane of the Hennepin County Savings Bank attended the convention of the Montana State Bankers Association at Kalispel, Mont., August 19th and 20th.

The comptroller has approved the application to organize the Rideout Smith National Bank of Oroville, Oroville, Cal., capital \$300,000, to succeed the commercial department of the State Bank of Rideout, Smith & Co.

Allen F. Ayers

Vice-president Allen F. Ayers of the Continental Trust, Denver, responded to the address of welcome at the Pueblo convention. He said:

It is our extreme good fortune to be able to meet in 1912 in the prosperous city of Pueblo, which city typifies the marvelous growth and rapidly developing industries of the Centennial State. My text shall be "Behold all things work together for good," my song shall be of hope, and my prophecy, that this good year will record the most wonderful crops, the most valuable fruits, the greatest advance in irrigation, and the most phenomenal yields, of gold, silver, minerals, coal, marble and scores of other wealth yielding properties—to say nothing of sugar, vegetables and live stock returns—ever placed on the credit side of the bank books of the Colorado financial institutions, the state over. Another thing, we are getting thousands of new farmers, fruit raisers, live stock growers, and even climate citizens who pitch their earthly habitation under the snow-capped peaks of the Continental Divide—under the dreamland shadows of the old Rockies,

"Our fathers crossed the prairies, as of old

Their fathers crossed the seas—

To make the West—as they the East

The homestead of the free."

Gentlemen of the Colorado Bankers Association, at the risk of being labeled "an enthusiast," at the hazard of being put down in that "hoi polloi" class known as a "boomer," it shall be my fixed purpose nevertheless to paint you a few of the hundreds of prosperity pictures, for you to take home with you and cherish and consider in the sanctum sanctorums of your banking homes. First, as to politics—you may rest assured that all Colorado has discounted the results of the 1912 elections, and there will not be even a lull in the up turn of general business throughout the state—yes, throughout our nation—no matter who is elected. To the noisy, selfish, office-hunting, office-grabbing, self-heralded patriots—may all of their efforts bring them contentment, for the people have long since relegated the great majority of them, in their mental determination, to the scrap heap of the political graveyard. To their buried hopes we add our heartfelt benediction of "requiescat in pace." In mining, the attention of the world has been again turned to Colorado, and the increased output of all mines for 1912 will be the subject of the closest attention of the world's financiers; for all the peoples of all the earth are looking for the yellow metal and Colorado will lead the Union, and my prediction is that there are scores of wonderful camps yet to be brought in within this matchless commonwealth. It shall be our pleasure to "give the world what they want."

In live stock we are holding our own and everybody is prosperous. As an example, last week I sent twenty-five two-year-old steers to the Denver market and they brought \$60.00

per head on the hoof. I used to think ten years ago that \$25.00 was a big price. Hogs now sell for \$8.50 and Colorado has the greatest number now on feed ever known in the state, and we have no hog cholera which has recently decimated the droves in Illinois, Missouri, Kansas, Iowa, and Nebraska. They will probably bring \$10 before many weeks. I see no "look in" even for the pessimist here. With our fruit crop—I fear to put down on paper what vast wealth it will bring for the 1912 season. Every district reports record returns, and the great East will be given another sample of the wonders of the sunshine, soil and climate of Colorado, in productiveness. I could tell you of vast harvests of wheat, corn, oats, barley, hay, potatoes, sugar beets, canteloupes, onions and worlds of other things, but I am presumed to reply to an address of welcome, and the time forbids that I trespass even with prosperity songs.

One thing I want to impress upon every Colorado banker, and that is, that one of our chief assets is water, and to get maximum results it must be locked up in mountain passes, and in vast reservoirs, and this takes cash, and a lot of it. None of you can afford to lose sight of the fact that it is your own people who are behind these vast irrigation enterprises and that necessarily the work is always slow, expensive, and at times discouraging, but all are striving to build a new empire which in the years to come will support in luxury millions of American citizens, and it is your business and mine to help build up all meritorious enterprises—not to wreck them; not to discourage them; not to cast doubts on them by letters sent to eastern investors, saying you know nothing about them. It should be your pleasure to take the trouble to find out about every enterprise which is building in Colorado, to increase population, add to the general wealth and comfort of our people. I wish you one and all success in your own banking institutions, and I bespeak from you careful consideration for the toilers on the other side of the banking counter. A word from you may bring millions into your state, and to do the most good to-day, we must help one another. There is another subject—in my opinion one of the paramours, viz: the building of great highways across this state. Every banker should actively exert himself to hasten the work in every county in the state, and we should all contribute to every effort to improve the roads, which means so much to the value of every acre of land in the state.

May all our hopes be realized for a greater Colorado! May all of our moneyed institutions follow the Golden Rule of "Do unto others as you would have them do unto you." Over the outposts of our Centennial State may we emblazon the motto "We aid all who aid themselves." One and all we thank you for this big Pueblo welcome, and we trust your metropolitan city may soon number one hundred thousand happy, prosperous and contented citizens!

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Pacific Northwest Banking News

Spokane, Aug. 20th.—Through action of the state board of finance in offering to purchase this city's \$250,000 issue of bonds for building a new city hall, the last bar to the commencing of actual construction has been swept aside. This issue was originally bid in by E. H. Rollins & Sons, which firm afterward withdrew unless the city commissioners would agree to call a special election to authorize the bonds by the people. Lack of time precluded such action, and the state board of finance agreed to take up the issue. The attorney-general is expected in Spokane in a few days to pass on the validity of the issue, preparatory to issuing September 1st.

Crop Prospects Highly Satisfactory

Reports of highly satisfactory crop prospects and of improved business conditions were made by a number of out-of-town bankers who were visitors at local banks recently. Among those who were in the city were George Duncan, cashier of the Creston (Wash.) State Bank; E. C. Baird, of the Colfax (Wash.) State Bank; W. H. Miller of the State Bank of Connell, Wash.; F. L. Leonard, cashier of the Grangeville Savings and Trust Company of Grangeville, Idaho; Charles L. MacKenzie of the Colfax (Wash.) National and R. P. Loomis of the First National of Malden, Wash.

Will Build \$15,000,000 Electric Railroad

French capital will assure construction of the \$15,000,000 electric railroad to connect Cle Elum and Roslyn, two Washington towns west of Spokane, announces S. R. Justham, superintendent of the Salmon Le Sac project of the Kittitas Electric Railway and Power Company. The French syndicate sent an engineer over to inspect the plans, and Mr. Justham announces the rendering of a favorable report. With power sites at Cooper and Waptus lakes, the company proposes to develop 20,000 electrical horsepower. The line will have connection with the Northern Pacific and Chicago, Milwaukee and Puget Sound.

Spokane Notes

In order to secure the building by day labor of a large subtrunk sewer in Spokane, the Spokane Chronicle offered to float at par an issue of \$23,000 in bonds by the city government. Bids received by contractors previously did not prove satisfactory to the city council. The newspaper's offer was accepted.

For the second time in the history of the city, special improvement bonds constituting a debt against abutting property, have been sold at par. The Fidelity National of Spokane took the issue, amounting to \$23,000.

Spokane bank clearings for the week ended Thursday, August 15th, amounted to \$4,050,085. This is an increase of 3 per cent over the clearings for the corresponding week of 1911.

Postmaster W. P. Edris has received official notice from Washington, D. C., that the State Bank at Hillyard, four miles north of

Spokane, and the First National Bank of Hillyard have qualified as depositories and would receive the funds deposited in the postal savings bank now open under the supervision of Superintendent Hicks.

Seattle

At a recent meeting of the national and state bank examiners in Seattle the following resolution was adopted:

"Resolved, That the practice of shipping and storing lumber and shingles at the Minnesota Transfer operates to the disadvantage of banks making advances against such shipments and tends to the encouragement of speculation and the assumption of greater risks than are warranted by the usage of sound banking."

Many of the lumbermen of the state of Washington took exception to the resolution, claiming that the examiners do not understand the situation thoroughly and claiming that the shingles and lumber shipped in transit to the Minnesota Transfer are absolutely good collateral. While it is probably absolutely necessary for the trade that there should be a certain amount in transit shipment done, still it is liable to abuse, and it is questionable whether in the long run the lumber and shingle trade will not be more profitable to the manufacturer and more satisfactory to the banker if the transit business is cut down to a minimum figure. The accumulation of a large quantity of unsold lumber or transit cars of shingles at the Minnesota Transfer has many times in the past caused a drop in prices, at times even causing a loss to the shipping firms. The resolution adopted by the examiners is along the lines of prudence and conservatism and has, it is understood, the approval of most of the leading lumber and shingle men in the state.

GROWTH OF SAVINGS DEPOSITS IN NATIONAL BANKS

One of the most striking things about the banking business on the Pacific Coast the last few years has been the growth of savings de-

posits in the national banks. When the comptroller of the currency began to publish the segregated savings deposits of the states November 27, 1908, the seven Pacific Coast states national banks held \$13,948,466. At the last call the national banks of Washington held \$13,480,174. In other words, the state of Washington to-day has caught up with the Coast record of four years ago. The Coast has increased from \$13,000,000 to \$35,184,336. Washington doubled and the Coast almost trebled, California savings jumping from \$4,000,000 to \$14,000,000. In the United States in the four years savings deposits in the national banks have increased from \$331,562,680 to \$718,358,431. Of course, the fact is well known that national banks hold relatively a small part of the savings deposits, the total in all kinds of banks running well above \$5,000,000,000 but the figures given show a drift.—Pacific Banker.

O'NEIL BANK PAYS 18 PER CENT DIVIDEND

Another dividend of 18 per cent has been declared by the receiver of the State Bank of Commerce at Wallace, Idaho. This brings the total dividends up to 48 per cent, or approximately \$220,000 since the failure a year ago last May. The payment of this dividend was made possible by the collection of \$7,000 and the payment made by August Paulsen, Stanley Easton and heirs of T. L. Greenough. The main portion of small debts have now been settled, and there are but a few more assets upon which anything can be realized.

BANK OF MODOC COUNTY

Alturas, Cal.—In the investigation by the grand jury sitting at Alturas on the affairs of the Bank of Modoc County, which was recently closed by W. R. Williams, state superintendent of banks, the jury failed to find a true bill against the officers of the bank, who were charged by Mr. Williams with having committed a felony in swearing falsely as to the condition of the bank. The district attorney declared that the jury failed of its sworn duty in returning their verdict in the face of indisputable evidence pointing to the guilt of the accused officials. The matter may be brought up before the November grand jury for rehearing.

ELECTED NIXON BANK PRESIDENT

Reno.—George Wingfield, former partner of the late U. S. Senator Nixon, has been elected president of the Nixon National Bank and the Bank of Nevada Savings and Trust Company. Mr. Wingfield is the owner and president of the John S. Cook Banking Company at Goldfield and president of the Goldfield Consolidated Mining Company. When Governor Oddie offered Wingfield the U. S. senatorship, he declined for business reasons. It was rumored he would become the president of the Nixon National Bank. This be-



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T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

came a fact, other officers elected being F. M. Lee and H. G. Humphries, vice-presidents; R. C. Turritin, cashier; H. H. Kennedy, assistant cashier.

NEW MEMBERS A. B. A.

Following is a list of banking institutions joining the American Bankers Association for the week beginning with August 7th, and ending with August 13, 1912, both inclusive:

California—Anaheim, Anaheim National; Covina, Covina Valley Savings Bank; Hollywood, Hollywood Savings Bank; Independence, Owens Valley Bank, Branch; Orland, Bank of Orland; Santa Barbara, Santa Barbara Savings and Loan Bank; Wasco, Bank of Wasco.

District of Columbia—Washington, Park Savings Bank.

Florida—Bonifay, Holmes County Bank.

Georgia—Crawford, Bank of Crawford; Dawson, Bank of Dawson; Flowery Branch, Bank of Flowery Branch; Newborn, Bank of Newborn.

Illinois—Ashton, The Ashton Bank; De Kalb, Jacob Haish State Bank; Rock Island, Central Trust and Savings Bank.

Indiana—La Porte, Peoples Trust and Savings Bank.

Iowa—Alta, First National Bank; Anderson, Anderson Savings Bank; Stacyville, German Savings Bank.

Kansas—Cedar Vale, Cedar Vale National Bank; Milford, State Bank of Milford; Salina, Traders State Bank.

Kentucky—Island, Island Deposit Bank; Middlesborough, National Bank of Middlesborough.

Massachusetts—Boston, Spencer Trask & Co.; Haverhill, Pentucket Savings Bank; Lawrence, Lawrence Trust Company; Wareham, National Bank of Wareham.

Michigan—Bad Axe, State Savings Bank; Brown City, Brown City Savings Bank; Dowagiac, Dowagiac National Bank; Port Huron, St. Clair County Savings Bank; Rochester, First National Bank; Sandusky, State Bank of Sandusky.

Minnesota—Minneapolis, Coates and Company.

Mississippi—Holly Springs, Merchants and Farmers Bank.

Missouri—Albany, First National; Butler, Missouri State Bank; Cameron, Cameron Trust Company; Cowgill, First National; Kansas City, Westport Avenue Bank; Kearney, Kearney Bank; St. Louis, Hodiament Bank; Shelbina, Old Bank of Shelbina.

New Jersey—Swedesboro, Swedesboro National.

New York—Binghamton, Broome County Trust Co.; Dunkirk, Merchants National Bank; New York, Folsom and Adams and Kidder, Peabody and Co.

North Dakota—Fullerton, Fullerton State Bank; Goodrich, Citizens State Bank; Hickson, Hickson State Bank; Pisek, Pisek State Bank; Venturia, First State Bank.

Ohio—Cleveland, Home Savings & Banking Co.

Pennsylvania—Johnstown, Cambria Trust Co.

South Carolina—Columbia, Peoples Bank of Columbia.

Tennessee—Jellico, First National Bank; Manchester, First National Bank.

Texas—Eldorado, First National Bank; Teague, First State Bank.

Virginia—Dayton, Bank of Dayton, Inc.; McKenney, Bank of Dinwiddie.

Washington—Cathlamet, Wahkiakum County Bank; Elma, Bank of Elma; Hunters, Hunters Exchange Office of The Lincoln County State Bank; Latah, Bank of Latah; Leavenworth, Leavenworth State

Bank; Morton, State Bank of Morton; Seattle, Broadway State Bank and Oriental American Bank; Starbuck, Bank of Starbuck.

West Virginia—Clay, Clay County Bank; Moorefield, South Branch Valley National Bank.

Wisconsin—Adell, Adell State Bank; Phillips, State Bank of Phillips; Richland Center, Richland County Bank.

Wyoming—Basin, Pioneer Trust and Savings Bank.

Wyoming Convention

The fourth annual convention of the Wyoming Bankers Association was held on August 7th and 8th in Cheyenne. The sessions were held in the Carnegie Library. Representatives from Wyoming, Colorado and Nebraska were present. Conditions in Wyoming are extremely favorable, and it is said that never before in the history of the state have indications pointed to a more prosperous year. According to bankers who attended the convention, there is not a section which is not foreseeing prosperous times. M. R. Johnson of Wheatland says that the crops in that vicinity never have looked better, and that the banks are anticipating a very prosperous year. State Treasurer J. L. Baird said: "I have never seen conditions as favorable as they are this year." Bankers all over the state seem to hold these sentiments.

The convention was called to order by President Harry B. Henderson, cashier Wyoming Trust and Savings Bank, Cheyenne. After the invocation by the Rev. Leon C. Hills, the president delivered his annual address, and was followed by the reports of the secretary and the treasurer. Committees were appointed as follows: auditing: S. B. Cochran of Buffalo, George F. Westbrook of Lander; on resolutions: C. R. Massey of Sheridan and W. E. Hickie of Laramie; on nominations: Ira E. Jones of Thermopolis, C. J. Williams of Greybull, A. H. Marble of Cheyenne. Reports then were heard from standing and special committees—executive, protective and legislative. The following addresses were delivered: "Getting Business," by O. T. Eastman, assistant cashier of the First National of Omaha; M. R. Collins, president of the Douglas National, talked on

the subject of collections and F. F. Johnson, cashier of the Boise (Idaho) City National Bank, talked on costs and credit accounting. Chas. A. Lory, president of the Colorado Agricultural College, Fort Collins, was represented by Principal Netherton of the college. Mr. Lory was ill and unable to appear. Mr. Netherton talked on "One-Sided Education." Clement Chase, editor of the "Western Banker," Omaha, delivered an address on early banking methods. E. R. Gurney, chairman federal legislative committee, American Bankers Association, Fremont, Neb., and T. Seddon Taliaferro, Jr., president Green River (Wyo.) State Bank, talked on "Losses" and "Our Natural Resources."

Mr. Netherton's address was loudly applauded. He was followed by E. R. Gurney of Nebraska, who delivered a talk full of humor, underlying which was a good sound talk on the banking methods of the West as practised by the small banker and the many pitfalls with which he is beset in trying to uphold his community and incidentally himself. All of the addresses delivered at the convention were extremely interesting and practical. All of the speakers were roundly applauded. Secretary Van Deusen of Rock Springs is to be congratulated on the excellent program provided for the occasion.

Entertainment features were not lacking. A "get-acquainted" smoker was given at the Industrial Club on the 7th. The next day, following the adjournment, visiting bankers were given a pleasure trip to Fort Russell and other places of interest about Cheyenne. In the evening a dinner was served at the Plains Hotel, at which the visitors were the guests of the Cheyenne bankers.

The convention next year probably will be held at Sheridan. Officers were elected as follows: Ira E. Jones, cashier of the First National of Thermopolis, president; C. R. Massey, vice-president Bank of Commerce, Sheridan, vice-president. H. Van Deusen of Rock Springs was re-elected secretary and T. C. Rowley of Douglas was elected to the office of treasurer. The convention was pronounced to be a great success by all who attended. A vote of thanks was tendered the Cheyenne bankers for the royal manner in which they entertained their guests.

NEW BANK FOR VIRGINIA

Richmond.—A charter has been granted by the Virginia Corporation Commission for a new trust company to be known as the Richmond Trust and Savings Bank Company, with a capital of \$1,000,000, the principal office to be in this city. The subscription books to the stock were opened at 9 o'clock in the morning at the banking house of John D. Williams & Sons, exactly a week after the granting of the charter. The bankers announce that before the close of the day the applications for the stock exceeded \$1,550,000, or 50 per cent in excess of the amount to be allotted.

John Skelton Williams, who is to be president of the Richmond Trust and Savings Company, says the board of directors will probably be selected and announced within the next two weeks.

The Farmers and Merchants State Bank is the name of a new banking institution at Kennedy, Texas, which has been organized with a capital of \$30,000, and opened for business Monday. The officers of the new bank are: L. E. Bain, president; Clem Reasoner, vice-president, and Miss Annie Rawls, cashier.

DEATH OF AUBURN BANKER

News has been received of the death of Frank Smith president of the Auburn State Bank, at Eureka Springs, Arkansas.

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A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers.

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 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

Des Moines, August 22.—There is general rejoicing among Iowans in general that Arthur Reynolds, president of the Des Moines National, has declined an offer to be an officer of the Continental and Commercial National at Chicago and will remain in Des Moines as head of the institution with which he has been identified for seventeen years. That Mr. Reynolds is making a sacrifice so far as honors are concerned, is of course admitted by all. It requires some little spunk for a man to turn his back on a proposition that means an important connection with the second biggest bank in the country. But Mr. Reynolds did not look at it exactly that way. Mr. Reynolds has a magnificent home in Des Moines. He likes to devote his time to his family and his residence. The position at Chicago would mean much work for Mr. Reynolds at a time when he is ready to enjoy life. But the main reason that Mr. Reynolds decided to remain in Des Moines is because of his pride in the institution of which he is the head, and the progress it is making as one of the leading financial institutions of Iowa. When Mr. Reynolds entered the Des Moines National as cashier it had deposits of \$550,000. He served as cashier two years, then became president. To-day the bank has deposits of \$6,250,000.

"I have great confidence in the future of the city of Des Moines," said Mr. Reynolds in conversation relative to his Chicago proposition and its rejection by him. "I have seen it develop from an overgrown country village to a city of high type, recognized to-day as one of the important cities of its size in the country. The state of Iowa is one of the greatest commonwealths of this country. Its resources are unbounded and the future of the state is certain."

No man in Iowa has been so much sought by state banking associations as Mr. Reynolds when programs for conventions have been made up. His opinion on currency matters has always received highest deference and consideration. He is now chairman of the executive council of the A. B. A. which is a stepping-stone to the presidency. Des Moines is proud of Arthur Reynolds and the entire state joins in the feeling.

Council of Administration to Hold Meeting

The most important meeting the council of administration of the Iowa Bankers Association has had in many months will be held in this city August 28th. This will be the quarterly meeting. It will be held during the state fair and a large attendance is assured. Not only will the officers of the association, the group chairmen and the retiring president be on hand, but in addition the members of the agricultural committee will attend. It is proposed at this time to outline more definite plans for the agricultural extension work which the Iowa Bankers Association has entered upon with zest and enthusiasm. The Iowa Crop Bureau which has been launched by the

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

Des Moines booster organization in connection with the I. B. A. is beginning to take more definite shape. Headquarters have been opened in Des Moines with Prof. Holden and his secretary, G. E. Stayner, in active charge. By the time the executive council meets here, the work will be fairly well started and it will be possible to definitely determine what to do. The first move, in all probability, will be the starting of agricultural teaching in the various rural and town schools of the state when the fall term is resumed early in September.

Proceedings Book Out

The proceedings for the twenty-sixth annual convention of the I. B. A. as held at Cedar Rapids, June 5th and 6th, have been issued in a handsome book by Secretary P. W. Hall. The proceedings are artistically illustrated with the pictures of the officers of the association and the chairmen of the various groups. In addition there is a fund of information relative to the association and the groups that will prove a handy bit of reference material. A map of the state showing the group boundaries is a feature of the volume and the names of the members who attended the convention is another. Secretary Hall is receiving many words of commendation upon the manner in which he has handled the proceedings this year.

Bank Robbed at Portsmouth

Bank robbers have been at it again in Iowa. They selected a dark, stormy night for their nefarious work and robbed the bank at Portsmouth of \$1,300. They overlooked \$2,500 but got away with \$1,300. Three men who were seen at Dedham where they robbed a saloon and were again seen at Needleson where they cracked a hotel safe are thought to have done the work at Portsmouth. Detective Gust Patek, representing the Burns agency, has been on the job, but at this writing Secretary Hall has received no report indicating that the detective will be successful in apprehending the yeggs.

Saving on Taxes

One of the numerous newspaper correspondents, of whom there are many in Des Moines, has been doing some figuring on the taxes the banks have paid under the new law. He de-

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED
 As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS
 RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Hancock, Wis.—Alan Giggs, of the First National Bank at Grand Rapids, has been elected assistant cashier of the Bank of Hancock.

The Commercial Savings Bank, Marion, Ia., has increased its capital stock to \$40,000.

clares that the institutions saved quite a good deal on their taxes as a result of the law but paid out considerable because of the law demanding interest on public funds. This latter amount, he says, totals \$122,388.24. Polk county receives the highest amount, as might be expected. It totals \$14,643. Then comes Webster county with \$3,555; Woodbury with \$3,252; Linn, \$2,903; Clinton, \$2,577; Warren, \$2,231; Kossuth, \$2,518; Wright, \$2,212; Pottawattamie, \$1,952; Cerro Gordo, \$1,576; Marshall, \$1,456; Dubuque, \$834. The counties from which no revenue at all was derived from this course, indicating that the public money is not kept in banks, are: Johnson, Lee, Madison, Palo Alto, Sioux and Appanoose.

Lightning Strikes Bank Building

Lightning struck the Citizens State Building at Perry but did not set the building afire and did not crack the safe. However, when one of the tenants opened the door to his office the morning following the storm, he discovered the desks and floors covered with plaster. Apparently the bolt had followed the chimney and then divided, for one end of the room was littered while there were evidences that another section followed a stovepipe into the stove used to burn waste paper. The front of the draft was blown off and a hole in the zinc below showed where the bolt had escaped. The damage to the building was slight.

Collateral Inheritance Tax

Not long ago the state of Iowa had an interesting controversy relative to the collateral inheritance tax on an estate owned in Denmark by a man who died in this country. A case similar has now arisen involving Germany. A woman in Clinton county bequeathed \$2,000 to go to a German town for the benefit of the poor of that city. The German treaty forbids collection of an inheritance tax descending to any citizen of Germany higher than that which would be collected if it were a citizen of the United States. However, the German consul holds that in this case the bequest is left to the poor people who are citizens and that under the treaty the state cannot collect, for it could not collect if the bequest were left to American individuals under similar circumstances. However, the courts will probably be called upon to decide the points raised. As to the Denmark case, the courts of Mitchell county hold that the non-resident alien inheritance tax applies to heirs living in Denmark. The decision has been appealed to the Iowa supreme court.

Forgers Pass Bogus Checks

Davenport dealers have been caught in the game which was worked by smooth forgers who secured cash on over 90 bogus checks in the vicinity of the tri-cities. The checks were those of the Illinois Steel Company and were stolen from the offices of the Milwaukee lithographing firm which printed them. The checks were drawn on the Joliet National and the South Chicago Savings and the gang which passed them collected in amounts of \$50 and \$100, signing the names of Charles G. Snow of the Northwestern Railroad and E. R. Baker of the Illinois Steel Company. So far as known by Secretary P. W. Hall, Davenport is the only Iowa city where the men worked with any degree of success.

Death of I. N. Meyers

I. N. Meyers, president of the Reinbeck State Bank, and one of its organizers, died last week at his home in that city. He had been ill for several months. He had lived in the vicinity of Reinbeck since 1880 and in the town since 1893. He was a prominent resident and was mayor for several terms.

Iowa Banking Notes

D. C. Harper, prominent stockman of De Soto, Iowa, was robbed of a \$4,000 draft on the

De Soto Bank while in Des Moines when a circus was in the city. The draft was non-negotiable.

The Mutual Building and Loan Association has been formed at Iowa Falls with an authorized capital stock of \$1,000,000. E. O. Ellsworth, president; W. A. Middleton, vice-president; S. J. Osgood, treasurer.

John Hogan, cashier of the German Savings, Des Moines, has been chosen treasurer of the Des Moines Packing Company. The institution has been selling \$100,000 in preferred stock and Mr. Hogan acquired a large block of it.

The State Bank of Lynnvile has filed articles with the secretary of state. The capital stock is \$25,000. Albert Johnson, L. T. Sylvester, C. O. Macy, E. M. Macy, Harlan Meredith and Lewis Davis are the incorporators.

The Commercial Trust and Savings at Charles City, of which mention was made in this column some time ago, has filed articles and is ready to do business on a capital stock of \$10,000.

The Dubuque Investment Company has filed amendments to its articles reducing its capital stock from \$50,000 to \$22,000.

W. C. Stuckslager, well known banker at Lisbon, Iowa, was in Des Moines last week and he and his wife were guests of honor at dinner at the Des Moines Club given by Mr. and Mr. Homer A. Miller.

It is stated that Cedar Rapids is to have another bank with a capital stock of \$50,000. It will be located in the west side business district but the name and officers have not been announced so far as is known in Des Moines.

The Central State of Des Moines has filed claims aggregating \$22,000 against the estate of the Hanley Brothers, wealthy Granger men who were killed some time ago when the automobile in which they were riding was struck by a Northwestern train out of Chicago.

Walter Williams was arrested at Omaha last week while attempting to steal \$500 in gold from the First National. Williams was previously arrested in a bank at Council Bluffs after the police had been notified from several sources that Williams was acting suspiciously. The man, a negro, would hang around the banks, apparently aimlessly, then when he saw he was detected, he would have a two-dollar bill changed and pass on.

A. F. Dawson, president of the First National of Davenport, was at Toronto, Iowa, last week assisting in the organization of the new Toronto Savings. The capital stock of \$25,000 has been subscribed and the new institution will soon be opened.

Euclid Sanders, president of Iowa City State at Iowa City, has been elected president of the State Historical Society.

The Home Savings at Iowa Falls is planning a new structure diagonally across the street from the First National. There will be two floors, the ground floor for the bank and the upper story for offices.

George M. Bechtel of Davenport has offered to pay 5 per cent for the \$80,000 refunding bonds which the city of Ottumwa is offering for sale. Bankers of Ottumwa have been carrying the city's warrants at 6 per cent and have been urging the city council to get busy. The members of the latter have been trying to get interest on the bonds down to 4½ per cent, but thus far without success.

A new bank at Payton has been formed to be known as the Payton Bank. The capital stock is \$18,000. The officers are W. T. Peyton, president; George H. Gibson, cashier; I. E. Hope, assistant cashier.

Sioux City

By JOHN J. BIDDISON.

John E. Jellenek, cashier of the Farmers State Bank of Amherst, S. D., is under arrest on complaint of J. L. Wingfield, state bank examiner, who has filed information charging Jellenek with having made false entries in the bank books and false reports to the examiner to cover up an embezzlement. The stockholders, by a special assessment of \$10,000, have made up the shortage, and depositors will lose nothing. The examiner has employed an Aberdeen law firm to assist in prosecuting the case, and an indictment will be sought under the old corporation law with reference to fraudulent insolvencies, since Judge Rice, of Deadwood, has declared unconstitutional the law passed by the legislative session of 1910-11. The complaint sets forth eight counts, the largest amount involved being \$850.

E. C. Peters

E. C. Peters has been chosen president of the new Morningside bank, just organized, which for the time being will be operated as a private institution. The other officers chosen at a recent meeting are: Geo. E. Ward, vice-president; John Scott, Jr., cashier; J. G. Shoemaker, C. J. Milligan, F. W. Lohr, John Scott, Geo. E. Ward and E. C. Peters, directors.

Sioux City Visitors

John C. Clary, president of the Commercial Bank, Hornick, Iowa, was in Sioux City Thursday.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was transacting business in Sioux City Thursday.

A. B. Jacobs, president of the Exchange Bank, Lennox, S. D., was in Sioux City Friday.

Thos. Thorson, president of the First National, Canton, S. D., and Republican National committeeman from South Dakota, was in Sioux City Monday.

G. S. Pitts, cashier of the First State Bank, Taopi, Minn., was in Sioux City Tuesday.

Banking Notes

While preparing to start home in his automobile, late the evening of August 16th, B. E. Sebern, cashier of the Farmers Savings Bank of Manson, Ia., was stricken with paralysis at Rockwell City, Ia. He is lying at the home of Dr. J. C. Parker in a critical condition.

T. M. Matthews, a veteran banker and cattle-man of Spearfish, S. D., is dead.

John McHugh, president of the First National, with his family is touring by motor car through the New England states,

Changes are being made in the banking room of the Northwestern National bank, at the corner of Fourth and Pierce streets. The desks of officers are being moved to the west, instead of the east side of the main room, opposite the tellers' cages, leaving the patrons' lobby to extend down the middle of the building. It is expected eventually to add several stories to the height of the structure.

G. R. Whitmer, president of the National Bank of Commerce and vice-president of the Farmers Loan and Trust Company, was the victim of an automobile accident Saturday night as the result of which he was laid up with a broken collar bone and severe body bruises. With a party of Democratic politicians from Sioux City who had just attended the convention of the Eleventh congressional district at Spirit Lake, he was returning homeward, when the car in which he was riding collided with another at Wallace, Ia. Mr. Whitmer was taken for two days to the home of Gus K.

a Hartley banker, and there given medical attention. He is now about his business again.

The finding of a key in the pocket of a dead man may lead to the identity of the man, a hold-up operator who was shot, at Onawa, Ia., by I. A. Blotcky, a merchant. The key was to a safety deposit box in the National Bank of Commerce of Sioux City, and in the box was found a draft issued on July 15th from the First National Bank of Minneapolis. The county sheriff has gone to Minneapolis to investigate.

PRESIDENT FRANK N. BRIGGS TO THE COLORADO BANKERS

(Continued from page 19)

and at such favorable altitudes as we have in Colorado? It is definite, productive and immovable. There is absolutely no escape of security. Such loans are perfectly safe.

I favor municipal irrigation district securities above other irrigation securities for bankers to invest in for several reasons, though I do not condemn corporation irrigation securities under good conditions and management.

First—The land under such a system, if properly and honestly organized, is owned by many people who live upon and cultivate it, and their own livelihood and prosperity depends upon the proper cultivation and development of the land constituting the security.

Second—Bonds issued by such districts are carefully safeguarded by Colorado laws, and are a first mortgage and tax lien on all real property in the district. The payments of both principal and interest are provided for by direct taxation and are collected along with other taxes by the county treasurer of the county in which the district lies, and the county treasurer pays the interest coupons and principal bonds, the same as he pays other public obligations. Where such districts are legally, honestly and properly organized on fertile lands, with abundant water supply, actual settlement and diversified ownership, it would be safe to say that even United States government bonds are no safer or better and they pay only a fraction of interest to the lender that good irrigation bonds pay. Why then, should not bankers of all men, encourage in every safe and legitimate way the promotion of sound irrigation undertakings, and why should the public officials of the state withhold the encouragement and assistance our laws have made it possible for them to extend to choice irrigation enterprises?

True patriotism demands our generous and hearty support, morally, politically and financially, to the development of meritorious irrigation enterprises, and I trust that every member of this organization will come to realize his personal responsibility in this matter. In no other way can we render greater material assistance in the development of our state.

Safeguard Investment Offerings

In all parts of the country complaints are heard that unscrupulous, or mistaken promoters are procuring millions of dollars annually from the people on so-called investment securities, such as stocks, bonds, certificates, notes, etc. Recently in New York City a national organization was formed by bankers and dealers in bonds, stocks, etc., with Geo. B. Caldwell of the Continental & Commercial Trust Company of Chicago, as president, for the purpose of protecting the investing public against fraudulent and unsafe investments. This is a step in the right direction, but it does not go far enough, and cannot be entirely effective.

In this connection it may be proper to suggest the appointment of some supervising authority over the issuance of stocks and bonds in this state. They have in Kansas what is known as the "Blue Sky Law." I have a

copy of it and approve of many things contained therein, but certain portions of their law are too radical and drastic in my opinion. One dangerous feature of the Kansas law to my mind is the placing of unrestricted authority to license the sale of stocks, bonds and other securities in that state in the hands of one man, viz: the state bank commissioner. No one man should have so much power. Even if he were absolutely honest, as such men usually are, mistakes in judgment might do serious harm. I favor the creation of a board by state legislation for the purpose of passing on all offerings of stocks, bonds and securities for sale in the state of Colorado and to that end I would recommend that the legislative committee of our association initiate, if necessary, and co-operate with others in an



R. A. NICKELL
Montrose
Treasurer Colorado Bankers Association

endeavor to secure the enactment, by the next legislature, of a law for safeguarding the investments of the people of this state along these lines.

Encourage Manufacturing

We need to develop manufacturing in Colorado. Nowhere in the United States can power be developed more cheaply than along our mountain streams, and in our numerous coal fields. Cheap power, and raw material right at hand, and a large western market for all kinds of manufactured products will draw many factories to this state, if properly advertised by responsible organizations.

Let us give our moral support to all legitimate efforts of those who are striving to build up manufacturing in this state.

Colorado Products for Colorado Bankers

While on this subject, let me go a little further and say: I believe in patronizing home industries exclusively when possible. In erecting buildings, let us all say: "Colorado brick and building materials are good enough; Colorado made bank fixtures are the best of any; Colorado printing and lithographing are the most satisfactory. In fact, nothing made outside of Colorado is quite as good as home made goods." Why not adopt as our motto: "Colorado products for Colorado bankers, first, last and always." It is because I realize the prosperity this policy, if followed by all the people, would bring to our banks by keeping millions of dollars at home which now flee away every year, that I join in the old, time-worn chorus.

The Mining Industry

Mining is one of Colorado's greatest industries, and will continue to be for years to come. Metals and minerals taken from the rocks and streams add permanently to the wealth of the world. With our enormous mineralized area this state is one of the greatest mining districts on earth, and the future prosperity of our state depends largely upon keeping up the development of this industry within our borders, in old camps as well as new.

New mining camps can and will be discovered in Colorado just as rich and important as any that have heretofore been brought to light. Shall they be found and developed during our time, or shall they be allowed to lie dormant and undeveloped, hidden and useless until future generations uncover them and reap the riches that lie waiting only to be brought forth to enrich the world, build cities and increase the general prosperity? As leaders in the world of business, bankers should encourage, in every consistent and safe manner, prospecting and further development of mines in this state.

Agriculture and Horticulture

Complying with a request coming from Joseph Chapman, Jr., chairman of the committee of the American Bankers Association on Agricultural Development and Education, your president last April appointed a committee, consisting of G. W. Gordon, Chas. N. Wheeler, D. T. Stone, D. S. Jones and W. B. Mandeville, from this state to attend a conference of representatives from various states to consider matters of agriculture, horticulture, etc. This conference was held at Minneapolis and St. Paul. I am pleased to say that Messrs. G. W. Gordon and Charles W. Wheeler did attend, and I will ask them to report briefly to you what was done at that meeting before this convention adjourns.

In this connection I recommend the creation of a permanent committee to the end that this organization may be in line to assist the farmers and fruit raisers in the highest development of these lines of business in Colorado.

D. E. McKINLAY AT SALT LAKE

D. E. McKinlay, surveyor of the port, San Francisco, delivered an extremely interesting and practical address this week at the convention of the American Institute of Banking held in Salt Lake City. He chose for his subject "The Old West and the New." Mr. McKinlay spoke of the desire of every young man to succeed in life, and emphasized the importance of getting started in the right line of endeavor. He also pointed out that the locality in which one pursues his career largely is instrumental in determining whether or not one shall make a success. He believes, like Horace Greeley, that the West is an excellent place for the realization of this laudable ambition. He told of the various events in connection with the settlement of that section of our country, and of the inducements held out by the government inviting immigration. Lands which in those days were sold as low as one dollar per acre now are worth several hundred dollars. In 1850 congress passed a law, by means of which swamp lands were ceded to the various states in which they were situated, and in turn were sold at a low figure to purchasers, which had the effect of placing a low value upon the natural resources of the country, a condition which prevailed for a number of years. This was, however, effective in stimulating immigration. Settlers endeavored to enlarge their holdings by fraudulent practices, and large corporations secured tremendous holdings contrary to law. As the population extended

competition for the acquisition of land became keener, and the government began to take increased interest in the public domain. In 1902 congress passed a reclamation law, and with it the days of the old pioneers were terminated, because the former methods were changed and new conditions created. Since the opening of the twentieth century the policy of the government in regard to its public lands has become almost the complete antithesis of that followed through all the previous years of its history. The tendency now seems to be to retain government ownership of all the remaining public domain, a policy which is expressed by the term "conservation," a doctrine which has its opponents as well as its advocates. Conflicting ideas in regard to this subject now are receiving the deepest study and consideration by the statesmen of the nation, and it is hoped that harmony will result from their deliberations. Mr. McKinlay also told of the work of reclamation which now is going on, and of the wonderful effect of irrigation in building up the resources of the West. He believes that the right kind of labor is necessary to assist in its progress and development, and that if the young men of to-day will come West with the same spirit which was possessed by their forefathers, there is abundant opportunity for success. He also said in part:

What is the "Old West" and what the "New?" With the rapidly shifting center of population in the United States caused by the drifting of great masses of the people westward, the line of demarkation between the old West and the new is changing every hour, and every movement is toward the setting sun. The annexation of the Hawaiian Islands in 1898 permanently fixed the status of that group as American territory forever, and the occupancy of the Philippine archipelago swept the sovereignty of the American Republic seven thousand miles westward beyond the Golden Gate into the very time-crusted bosom of old Asia. The organization of the Hawaiian and Philippine Islands in accordance with American principles of government, and the establishment there of the institutions, liberties, and opportunities secured by the founders of the American Republic to American citizens has merged the "West" of America into the Far East. The conquering, aggressive, dominant spirit of the West having circumnavigated three-quarters of the globe, already is beginning to reincarnate and revivify the frozen civilizations of by-gone ages.

When one stands upon the pinnacle of the present hour and looks backward over the last thirty years of western development, one is filled with amazement that so much progress could be made in such a short period of time. In such a retrospection one sees the valleys and tablelands of western America, which only yesterday were the grazing grounds of great herds of buffaloes and antelopes, rapidly changed into vast stretches of cultivated fields of wheat, alfalfa and corn. He sees the warlike tribes of Indians, pushed from their hunting grounds and reservations, gradually fading into the shadows of the things that were. He beholds rocky and mountainous districts, once the home of the grizzly bear and the mountain goat, turned into the pastures of multitudes of sheep and countless cattle; the old placer mines of the argonaut abandoned, and instead he hears over the valleys and streams and hillsides the reverberations of the steam whistle and the roar of the pounding stamp mills. He sees the primitive sawmill in the heart of the primeval forest transformed into the great factory in which almost every product that can be manufactured of wood is produced for the markets of the world. He beholds on every side in-

tense activity developing, and the rush of aggressive industry. Everywhere he sees great cities springing into existence and becoming commercial centers of importance within a decade, and even the mighty convulsions of nature set at naught by the enterprise of the dominant, forceful men of the West, as a new city rises out of the smoke and vapors of an earthquake shock and a disastrous fire with such energy and splendor as to become the wonder and admiration of the world. Within the last few years railroad lines have penetrated to remote and hitherto inaccessible districts of the various states, building up towns and cities and connecting them with general tides of trade and industry. The waterfalls of the mountains are being harnessed so effectively that the cheapest kind of power known to industry can be furnished for the promotion of manufactures, for the lighting of cities, and for the transportation of products. And yet, with all this marvelous development within the last thirty years which is apparent throughout the West, from Alaska to Mexico, it may be said with truth that the foundation stones of future and permanent power and strength of civilization have just been laid. To-day the center of population of the United States is considered to be somewhere near the center of the state of Illinois; but the center of the territorial area of the United States on the American continent, when we take into consideration Alaska, is one hundred miles westward beyond the coast-line of the Pacific. Only a few years ago the greatest difficulty experienced by the producer and the farmer of the Pacific Coast was the difficulty in marketing his product. The country being sparsely settled and lines of traffic few, if his production was great, a large portion of his product must be sent to the eastern markets. The rates of freight over the transcontinental railroads being necessarily very high, it was sometimes impossible to market the bulky products at a profit. But even this obstacle

to the development of the western country is being removed, in a large measure, in the opening of the Pacific Ocean by the construction of the Panama Canal. Lines of railway, both steam and electric, in almost every state across the Great Divide and bordering upon the Pacific are being constructed, so that the products of the farms, the orchards, and the fields, which are being cultivated everywhere, may be taken to the seaboard and from there trans-shipped to the markets of the eastern states and Europe. The opening of the Panama Canal, taken in conjunction with the development of the Mississippi River and its tributaries to the navigable capacity for ocean-going vessels will, without question, stimulate every form of western industry by reason of the cheapening of freights, and with this cheapening of freights must come greater profit to the producers, and less cost to the consumers of the necessities of life.

The next step forward must be the serious consideration by the people and the congress of the United States of measures that shall result in the restoration of the American merchant marine. The imports of the United States to-day amount to over one billion two hundred million of dollars annually, while the exports amount to nearly two billions of dollars, nearly one-half of which is food and raw material for other nations. This vast volume of foreign trade, amounting to over three billions of dollars, is to-day carried across the seas in foreign vessels, only six vessels to-day on all the seas of the world ply between the ports of the United States and foreign nations carrying the American flag; while for the carrying of freight on the vast volume of American imports and exports, the people of the United States pay annually over three hundred millions of dollars. It is the policy of the best thinkers of the country of to-day, both of the East and the West, to give government assistance in some manner to American steamship companies, so that at least a reasonable share of the vast profits of the ocean carrying business shall be saved to the people of our own land, to the end that our industries may remain active, and American labor continue to be employed at the best rate of wages paid to any class of laborers upon the earth.

These ideas and ideals are not dreams or vague prophecies. We see in the opening of the Panama Canal the realization of over four hundred years of effort, for Columbus sailed from Spain not for the purpose of finding a new continent or strange islands, but rather to find a short water route to the coasts of Asia, so that the trade and commerce of Europe with the Asiatic coasts might be improved by the shortening of water routes and cheapening of freights. And we see in the growing importance of the cities and harbors of the Pacific Coast the beginning of the fulfillment of the prophecy of Baron von Humboldt, who, over a century ago, while exploring Central America, in writing to his friend, Goethe, the German poet, said that the time would come when the Pacific Ocean would sustain the same relation to the United States in commerce and trade that the Mediterranean sustained to the empires of Greece and Rome in the days of their power and glory.

We see in the reclamation and irrigation systems of the interior and the consequent development incident to their construction, the shifting of vast masses of population into those fertile regions; and we recognize in the rapid development and progress of Alaska the wisdom of the statesman Seward, who in 1867 purchased that important territory for a sum of money less than is taken from one of her mines in a year's time. But Seward was an optimist, and saw that in time Alaska would become one of the most valuable possessions

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Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/2-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

of the United States, and his wisdom and statesmanship have been fully justified by the fact that within the last ten years Alaska has turned out from her mines and forests and fisheries more than three hundred millions of dollars of wealth, and that volume is increasing every year as the country is developed.

In effect, the people of the West are beginning to understand that the Pacific Ocean, and the countries surrounding that great sea, must become the most active area of commercial and industrial operations upon the globe. The Asiatic nations, numbering over eight hundred millions of people (more than half the people in the world), are at last throwing off the sluggishness and lethargy of thousands of years of inactivity and conservatism and beginning to realize the significance of twentieth century civilization. And in the midst of all this stands the United States, particularly the western part of it, situated in a position of strategy and command in the very center of the world operations of the future, and in the direct channel of trade between Europe and Asia.

These influences, coupled with those that already have been detailed, must make the West and the Pacific seaboard in time the dominant portion of our country, and open wide the door of opportunity to tens of millions of American citizens yet unborn.

UNCLAIMED BANK BALANCES

The government of Canada in its official return states that in the Canadian banks there are unclaimed balances amounting to \$676,147, unclaimed dividends of \$3,659 and bills of exchange of \$49,851. The largest amount unclaimed is in the Montreal city and district bank, \$122,071; the Bank of Montreal, \$119,000; the Bank of British North America, \$93,000; the Bank of Commerce, \$58,000; the Bank of Hamilton, \$52,000, and the Union Bank, \$41,000. Many of the other banks have smaller amounts. It is now thought that the government will absorb these balances, as the probability of claimants coming forward is very slight.

The Farmers State Bank of Rosalie, Neb., has applied to the state banking board for leave to increase its capital stock from \$10,000 to \$25,000.

E. F. Shanbacker, president of the Fourth Street National Bank, Philadelphia, is on a two weeks' vacation in Maryland.

Department of New Business

NORTHWEST

Germantown, Minn.—The Germantown State Bank has filed articles of incorporation by N. Bundhund, John Phillips, Jay Payne, E. Johnson, Charles Cook of this place and G. L. Sterns and Maud M. Bishop of Thief River Falls; and L. M. Hoag of Minneapolis.

Kimball, Minn.—The Farmers State Bank has been incorporated with \$10,000 capital, Thos. H. Hoskins is interested.

Cook, Minn.—The First State Bank is new. L. F. Luthey, L. M. Burghardt and J. L. Owens all of Angola are interested.

Forest Lake, Minn.—The Peoples State Bank is organizing. C. G. Malmberg, F. E. Anderson, C. I. Malmberg, C. J. Cole, H. W. Swanson and F. J. Holmquist of this place are the incorporators.

Baker, Via Esmond, N. D.—The Farmers State Bank has been incorporated with \$10,000 capital. A. W. Engel and C. O. Craig of this place and W. W. Smith of Sleepy Eye, Minn., and C. D. Griffith, of Minneapolis, are interested.

Selz, N. D.—The Farmers State Bank has been organized with \$10,000 capital and expects to open for business September 1st.

Lakota, N. D.—The First State Bank has been organized here with \$10,000 capital. J. Birkholz of Grand Forks, N. D. is interested.

Cooperstown, N. D.—H. P. Hammer of this town and A. J. Melgard of Binford are organizing the Citizens State Bank.

Crawfordsville, Iowa.—The Peoples State Bank has been organized here with N. J. Lease president and E. A. Davis cashier. The capital is \$20,000.

Mindenmines, Mo.—The Bank of Minden is incorporated. James Bunce of Nevada, and Eugene Smith of Pittsburgh, Kansas, are interested.

Ionia, Mo.—The Traders Bank is organizing with \$10,000 capital. S. T. Berry is president, George D. Ferguson vice-president and J. L. Argenbright cashier.

Sparta, Mo.—Thos. Hornbeak is to be cashier of a new bank here and Harvey Cozley, formerly with the Ozark Savings Bank, is interested.

Bancroft, Wis.—The Bancroft State Bank has incorporated. A. W. Manly, Harold Ostrum, Buchanan Johnson and Charles D. Walker are interested.

Evansville, Ind.—The Northside Bank is organized with Louis E. Fricke as president. Mr. Fricke is cashier of the Commercial Bank.

WEST

Denver, Colo.—The Capitol Hill State Bank has been organized with the following officers: Roy P. Gholson president, F. A. Austin first vice-president, Davey C. Bailey second vice-president, Fletcher W. Birney cashier. Mr. Gholson is vice-president and one of the principal stockholders of the North Denver Bank.

Denver, Colo.—The Silver State Bank is new. Martin T. Murray, W. Small, R. J. Morris, W. D. Steinmetz, G. E. Hathaway, Thos. S. Cox, G. Reddish, F. I. Boose and J. Q. Adams are the directors. Mr. Adams is to be cashier.

Outlook, Mont.—J. Rosholt of Eau Claire, Wis., is interested in a new bank here with O. K. Jensen who will be in charge.

SOUTH

State Line, Miss.—The Citizens Exchange Bank has been chartered with \$10,000 capital. W. S. Gandy Wanesboro, W. C. Chesterfield, A. L. Hamrick, L. N. Nobles and Mrs. R. J. Briggs, Jr., all of this place are interested.

Union, Miss.—Following are the incorpor-

ators of a new bank: W. Hester, S. F. Reed, A. C. Freeman, W. J. Turner, J. Z. Golden of this place and C. A. Tolbert of Ackerman and J. F. McCauley of Philadelphia.

Newton, Miss.—The Newton County Bank is organizing. Among those concerned are: R. W. Willsaps, Z. D. Davis, J. J. Tatum and D. W. Cooper, Jr.

Hawkinsville, Ga.—The Pulaski County Bank has been organized with \$25,000 capital. J. Pope Brown is president, J. P. Glover vice-president and it is probable that D. T. Mashburn will be cashier.

Wesley, Ga.—The State Bank of Wesley is organizing with \$25,000 capital. Among residents interested are: D. H. Atkins, L. P. Strange, S. A. Waller and J. M. Brown.

Clyde, N. C.—The Bank of Clyde has obtained a charter. A. H. Miller, E. A. Wood and John D. Wood are interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

Abilene, Kan.; George E. Lawson, Detroit, Mich.; W. C. Gordon, Marshall, Mo.; Carson Hildreth, Franklin, Neb.; E. S. Howe, Princeton, N. J.; Charles M. Dow, Jamestown, N. Y.; George A. Holderness, Tarboro, N. C.; Charles Ash, Fostoria, Ohio; F. J. Hartman, Tulsa, Okla.; Robert I. Woodside, Greenville, S. C.; Robert E. James, Easton, Pa.; Joseph Hirsch, Corpus Christi, Texas; V. Vaiden, Farmville, Va., and Charles Capito, Charleston, W. Va.

FRIDAY Morning, September 13th, will be "Farmers day" at the Detroit convention. A committee of the association, headed by Mr. Chapman, will have charge of the meeting.

SECRETARY COLBURN will start his special from California to Detroit with twenty-five bankers and their wives. They will join the Minneapolis and St. Paul delegates and all will reach Chicago in time to get aboard of the big Chicago special.

IT pays to advertise. The William George (Brookline Farm) sale of Berkshire hogs drew many banker-farmer buyers. Among them H. P. Hilliard, St. Louis, and J. F. Edgerton of Milwaukee.

SIXTY-ODD head were sold at an average price of \$96.00 per head, a record it is said. Buyers came from all adjoining states and a large purchaser was the Delaware State Experiment Station at Newark.

FROM all reports the friends of O. L. Heiser of Lexington, Ill., seem to be making good headway toward landing Mr. Heiser in the treasurership of the Illinois Bankers Association.

MR. HEISER'S Bank has a surplus in excess of its capital which is a satisfactory reference in Illinois or any other banking circles.

ONE TREE (Iowa) Savings Bank on August 3d doubled its capital, going from twenty to forty thousand capital. The assets are nearing half a million, which justifies the increase.

CASHIER.

The Citizens Bank was organized at Prairie Grove, Ark., this week with stock of \$30,000, one-half to be paid up. Dr. W. H. Mack is president, W. W. Carl vice-president and W. M. Collier secretary and treasurer. Plans are being made for a new building.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

matter by addressing Secretary Plant of that organization. This bank is being founded to cater directly to farmers at lower than present rates of interest for their accommodation. It is more nearly like similar institutions in European countries than anything which yet has been established in America.

CLIFFORD DEPUY, editor and publisher of the Northwestern Banker at Des Moines, has made a reservation on the Chicago special for the Detroit convention. Iowa has taken about twenty reservations, and will not be lost in the shuffle.

SECRETARY WILLIAM B. HUGHES of the Nebraska Bankers Association has made a reservation on the Detroit special, and at his convention this week intended to care for the welfare of the Nebraska bankers who might wish to join the Chicago bankers on the trip across Michigan.

AN attempt will be made to have H. P. Beckwith of Fargo organize a glee club on the way over to Detroit. The Chicago members of the committee having this matter in charge say they will not allow him to sit down at the banquet table until he has shown some interest in the matter.

EVERYONE will be pleased to learn that the state of Washington has completed its quota of three hundred members in the American Bankers Association, which will qualify W. D. Vincent of Spokane for membership on the executive council. Mr. Vincent was elected tentatively when the state was short about forty members. Everyone who knew him predicted that the three hundred would come across. He will be an enthusiastic and welcome member on the Big Council.

PRESIDENT B. F. HARRIS of the Illinois Bankers Association has had a summary of his season's addresses on agricultural subjects printed in pamphlet form. Copies may be had by addressing him at Champaign, Ill. Mr. Harris delivered these talks at six of the most important state conventions held this year, and had invitations to deliver them at a number of others which it was impossible for him to attend.

THERE are among the number eligible to sit at the Council Club banquet at Detroit a few dissenters from the present tendency of including "ladies and other guests." Some of these gentlemen are serious-minded about such matters, and believe that the club should adhere strictly to its original policy of restricting attendance to ex-officials and ex-members of the council, and the discussions to matters connected with the general welfare of the American Bankers Association.

IT is not altogether unlikely that this famous organization without either constitution or by-laws will take steps at Detroit, or soon after, to define for the future its field of operation. Many believe that the dinners should be of a more or less informal character, and follow somewhat those of the Gridiron Club at Washington. Think it over and be prepared to take part in the discussion if it shall come up at Detroit.

SO "Fred" Hoopes (J. W.) has gone to Galveston, to be cashier and vice-president of the City National. It was coming to him. We looked these many moons to see some big central reserve bank pick up the prize.

SECRETARY HOOPES has a popularity all his own. Known and is known by every banker in Texas. For the past year he has been at the head of the Secretaries' Section, A. B. A., and, of course, served on the Big Council.

KEEP your eye on the City National and you will note that the tawny-haired Austinite will make good in no uncertain way.

PROBABILITIES are that there will be not less than four names considered at Detroit for the chairmanship of the council. In order of priority of mention in the financial papers they are Ledyard Cogswell of New York, Joseph Wayne, Jr., of Pennsylvania, T. A. Davis of Ohio and Sol. Wexler of Louisiana. There may be others, and but few organizations could supply so many eligibles.

SUPPOSE the new order of things as proposed in the McNider amendment should be adopted at Detroit. True, it only prevents the chairman of the council from going to the vice-presidency within one association year, but in time, perhaps at once, it would apply to other officers. The nominating committee naturally would pass away.

THEN we would have candidates in multiple for all the offices. It will boom the financial papers paying attention to such things, but will it help or hurt the association?

ARE we better off with experienced men always in charge, or will it be better to declare an open field for all the officers? Is the association to be bull-moosed or to go on in its present conservative but progressive way?

THE rumor that the present secretary of the Illinois Bankers Association (don't laugh) is to ask for a one thousand dollar increase in his wages has brought out several gum shoe candidates for the position.

TRUE, the revenues of the office have not kept pace with the expenses and the efficiency of the office hasn't broken any records, but—what's the use?

IF for any reason the retroactive forces could control things so as to spend all the money for salaries, "etc.," there would be this much less to help on the supervision, and other movements.

THINK it over before you go down to the post-season convention at Peoria so that you will not be taken unawares.

MICHIGAN is to rearrange her group districts to conform to new transportation facilities, many of them electric. Constant revision in such matters is going on in many of the states.

SECRETARY (Mrs.) H. M. BROWN will be in Parlor "B" in charge of Michigan headquarters at the Ponchartrain during the Detroit convention. Parlor "B;" Parlor "B" rown. You can't forget the place.

ILLINOIS members of the A. B. A. have been called in special session at the Detroit convention to elect two members of the executive council, a state vice-president and a member of the nominating committee, the call being issued by William A. Heath, acting vice-president for the state.

THE meeting will be held in the hall on the 12th floor of the Ponchartrain at 9 A. M., Tuesday, September 10th. Get up early and be there. Those who have been endorsed and spoken of generally for the places on the council are E. E. Crabtree of Jacksonville and W. T. Fenton of Chicago. Lathan J. Souther has a "hold-over" claim on the vice-presidency, having been elected once, but did not serve, owing to the famous Illinois mixup.

MR. HEATH closes his notice letter with the following: "Illinois has 847 members of the A. B. A. at the date of this call. Fifty-three additional members before August 31st will entitle our state to one more member of

the executive council. One year's dues on such new memberships will now be accepted in full payment to September 1, 1913. Cannot you secure one new member?"

OTHER states have turned longer tricks than this; did it this year in Iowa, Washington and most likely in Missouri.

WHAT do our members of the transportation committee think about the efficiency of the official line-up of the Illinois Bankers Association, anyway? It is the only office in tributary territory where the big Chicago-Detroit special has not been mentioned in the official bulletins. Pretty poor for what it costs!

W M. A. HAZZARD of Peoria has been on a vacation up in Michigan. Did he take his rod and line? Oh, no. He took along a huge volume on the buying of commercial paper, meaning, of course, that times are good in the corn belt and that money will be ready for good paper when it comes along.

JOE. INGWERSEN, Clinton, Ia., is going to "motor" to the Detroit convention. He is an Ann Arbor man and will spend a few days browsing around that famous college town on his way over.

C. B. MILLS, Clinton (also "of" several other towns), has felt a touch of the convention fever and is likely to match up with McNider for a "four" table at the Banquet-on-Wheels.

F. D. BRUNDAGE, assistant manager of F. of Knauth, Nachod and Kühne, New York, will have "headquarters" at the Ponchartrain during the talkfest at Detroit.

E. L. MATSON of the Scandinavian-American is back from a summer on Isle Royal. He tells his fellow Minneapolitans that his muscles are sore from landing the big fish he caught. His biggest trout (he says) weighed 18 pounds.

WE hear that Arthur Reynolds of Des Moines has turned down a recent big offer for his services by a big Chicago bank. The people in Des Moines wouldn't stand for it.

THE Des Moines Capital is quoted as saying for Mr. Reynolds that "he has been accorded such cordial support by the stockholders and directors of his bank and by the business public and the growth of the business had been so rapid and satisfactory, that he is loath to leave these surroundings."

CAN you blame him?

BANKING COMMISSIONER B. L. GILL of Texas is "bound" to put a "Blue Sky" law on the books in his state. He was a central figure in the national insurance conference held recently in Spokane.

PRESIDENT JOSEPH CHAPMAN, JR., of the conference of the state bankers associations on agriculture and education, has appointed the thirty state vice-presidents, one from each state represented at the Minneapolis conference.

THEY are: J. W. Wheeler, St. Paul, for Minnesota; C. H. McNider, Mason City, for Iowa; Isaac Lincoln, Aberdeen, S. D.; P. A. Pickett, Leal, N. D.; L. A. Baker, New Richmond, Wis.; R. O. Kaufman, Helena, Mont.; Emery Olmstead, Portland, Ore., and J. W. Clise, Seattle, Wash.

OTHERS on the committee number some of the most prominent active banking officials of their various states. They are: John H. Drakeford, Tuskegee, Ala.; J. Nichols, Pine Bluff, Ark.; G. W. Gordon, Haxtun, Col.; W. E. Bell, Trenton, Fla.; M. T. Albert, Payette, Idaho; B. F. Harris, Champaign, Ill.; C. L. Goodbard, Crawfordsville, Ind.; M. H. Malott,

(Continued on page 30)



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The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

FRANCIS B. REEVES
President

RICHARD L. AUSTIN
Vice-President

T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier

CHARLES M. ASHTON
Assistant Cashier

CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

AUGUST 31, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Banquet-on-Wheels

Under the special arrangement made by the Chicago-Detroit transportation committee, of which Arthur Reynolds is chairman, with the officials of the Michigan Central Railway Company, the train which will leave Chicago for the Detroit convention on Sunday, September 8th, at 10 A. M. will have three large dining cars coupled up in the center of the train. The central diner of the three will seat forty persons, being arranged in tables of four on each side of the aisle. It practically will be impossible for persons to pass through this central car during the time the "banquets" are being served, the space in the center aisle being constricted by the use of the double tables on both sides of the car. Each of the other diners will seat thirty persons so that the "first call" will accommodate one hundred persons. So far as it was possible, the transportation committee has arranged the seating to throw congenial persons together, if not at the same table, in the same car. Preference was given in the arrangement to those accompanied by ladies. Table numbers run consecutively down one side of the aisle so that tables one and six are opposite; so are two and seven; three and eight; four and nine and five and ten. Those whose names are included in the "first call" as arranged at present are:

First Call, Car One

Table 1—Victor A. Roeder and wife, Bellingham, Wash.; H. P. Beckwith and wife, Fargo, N. D.

Table 2—W. A. Heath, Chicago; Miller Weir, Jacksonville, Ill.; John McHugh, Sioux City, Ia.

Table 3—George M. Reynolds and wife, Chicago; Arthur Reynolds and wife, Des Moines.

Table 4—E. J. Curtin and wife, Decorah, Ia.; H. M. Carpenter and wife, Monticello, Ia.

Table 5—J. Lyman Edwards, wife and daughter, Burlington, Ia.; D. H. McKee, Davenport, Ia.

Table 6—P. W. Hall and wife, Des Moines.

Table 7—George S. Parker and wife, Sioux City, Ia.

Table 8—Oliver C. Fuller and wife, Milwaukee.

Table 9—Lucius Teter and wife, Chicago.

Table 10—Homer A. Miller, Des Moines; W. C. Stuckschlager, Lisbon, Ia.

First Call, Car Two

Table 1—E. E. Crabtree, wife and niece, Jacksonville, Ill.

Table 2—Luther Drake, Omaha; Victor B. Caldwell, Omaha; Ralph Van Vechten and wife, Chicago.

Table 3—J. Fletcher Farrell and wife, Chicago; Nelson N. Lampert and wife, Chicago.

Table 4—H. H. Harris and wife, Champaign, Ill.; B. F. Harris, Champaign, Ill.

Table 5—Charles N. Stevens and wife, Evanston, Ill.; F. A. Yard and wife, Chicago.

Table 6—August Blum, Chicago; Ernest A. Hamill, Chicago; C. N. Gillette and wife, Chicago.

Table 7—E. L. Johnson and wife, Waterloo,
(Continued on page 13)

New Leaders of the American Institute of Banking



BYRON W. MOSER
UNION TRUST COMPANY, ST. LOUIS, MO.
President American Institute of Banking



HARRY V. HAYNES
WASHINGTON, D. C.
Vice-President American Institute of Banking

James M. Hurst

James M. Hurst, assistant cashier of the National Bank of the Republic, Chicago, returned to the city this week after a trip through the West, where he visited Omaha, Cheyenne and Denver.

RALPH VAN VECHTEN ON MONEY SITUATION

Ralph Van Vechten, vice-president of the Continental and Commercial National Bank, in commenting on the general money situation this week said:

"Money continues in very active demand, and rates are now at a 5 per cent minimum on call loans, and from 5 to 5½ per cent on prime commercial paper. The advance is caused by demands incident to the crop movement, and further by the decided increase in the volume of general business. We anticipate that crop movements will be retarded somewhat by reason of the shortage of cars. Considerable grain will be tied up in country elevators and in the hands of the farmers themselves. This would have a tendency to make collections somewhat backward and to prolong the period of close money. Generally speaking, the banks of the West are in a very strong position and will be able to take care of their local demands without calling heavily upon reserve centers, except, of course, that balances will be reduced temporarily, which is only natural at this season, but we do not expect that there will be heavy borrowing on

the part of these banks for the reason that they have anticipated the present situation of large crops and are fully prepared to meet it."

HARRIS TRUST SUCCESSFUL BIDDER

The Harris Trust and Savings Bank of Chicago was the successful bidder for the \$164,000 water works extension bonds let by the city of Moline, Ill., this week. Its offer was a premium of \$1,775 and accrued interest, accepting the bonds at par and paying 4½ per cent interest. The first payment of \$14,000 is due in 1917, yearly payments of \$10,000 being made thereafter until 1932.

CHICAGO BANKERS ATTEND NEBRASKA CONVENTION

Among the Chicago bankers who attended the Nebraska convention held in Omaha this week are the following: J. Fletcher Farrell, vice-president of the Fort Dearborn National; John R. Washburn and George B. Smith, assistant cashiers of the Continental and Commercial National; B. F. Newhall, assistant cashier of the First National, and Arba Perry, representing the Colonial Trust and Savings.

L. J. PETIT PASSES THROUGH CHICAGO

L. J. Petit, president of the Wisconsin National Bank of Milwaukee, passed through Chicago this week on his way to Canada.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	President
RALPH VAN VECHTEN	Vice-President
ALEX. ROBERTSON	Vice-President
HERMAN WALDECK	Vice-President
JOHN C. CRAFT	Vice-President
JAMES R. CHAPMAN	Vice-President
WM. T. BRUCKNER	Vice-President
WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	Cashier
HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
WILSON W. LAMPERT	Assistant Cashier
DAN NORMAN	Assistant Cashier
FRANK L. SHEPARD	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President	JOHN JAY ABBOTT Vice-President	GEO. B. CALDWELL Vice-President	CHARLES C. WILLSON Cashier	FRANK H. JONES Secretary	WM. P. KOPF Assistant Secretary
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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We Can Assist Bankers to Increase Their Foreign Exchange Business

If you desire to increase your foreign business, write us and we will send you practical suggestions as to how this can be done. Address, Department 23,

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LEIPZIG
GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depository

Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30

NELSON N. LAMPERT, Vice-President	WM. A. TILDEN, President	J. FLETCHER FARRELL, Vice-President
GEORGE H. WILSON, Ass't Cashier	HENRY R. KENT, Cashier	CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier	WM. W. LeGROS, Ass't Cashier	
	HARRY LAWTON, Mgr. Foreign Dept.	

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN	President
JOHN FLETCHER	Vice-President
GEO. M. BENEDICT	Cashier
J. C. MORRISON	Assistant Cashier
H. P. GATES	Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

THINGS have started over at Detroit. The directors of the Security Trust Company presented to President Wm. Livingstone of the Dime Savings Bank, a big, solid ivory, silver-mounted gavel, with which to preside at the big A. B. A. convention.

MR. LIVINGSTONE promised to use it to call the thirty-eighth annual convention to order. Mr. Livingstone is a director of the Security Trust along with those who made him the handsome gift.

ON Monday morning of this week there were one hundred and sixty reservations for the Chicago-Detroit Special. Before you see this, the two hundred mark will have been passed.

SECRETARY P. W. HALL and W. B. Hughes sent out "urging" bulletins. Hall hoped Iowa would send 200, all by herself, and so she should. A pro-rata turnout would make a big convention.

NO bulletins mentioning the big "Special" and the banquet-on-wheels have been sent to the members of the Illinois Bankers Association. Dry rot or Tommy-rot?

THE New York Central Lines are right in it, both directions, when it comes to the Detroit convention. They have the direct lines in all directions and Vosburg and Barnet value the bankers' annual trips far beyond the immediate money returns. Future business follows satisfactory service under "Special" conditions.

ON Sunday last the "Red Section" went through Chicago, bound for the Detroit convention by way of Yellowstone Park. About one hundred bankers and friends were on board. They all looked happy.

THERE was everything from the pianola to the sanitary wash cloths, from barber to maid.

LEDYARD COGSWELL, the eastern candidate for chairman of the council, was the happiest looking in the lot. It is said that New York never before "agreed on a man" for the place. He must be a crackerjack.

JOHAN F. DISMUKES of St. Augustine, Fla., the boss story-teller of the Everglades, was on board with his whole family.

OTHERS recognized in the throng were W. B. Cardoza, Farmers Loan; Beverly Chew of the Metropolitan Trust, and Frederick Geller, all of New York.

FROM Hartford was Joseph H. King of the Phoenix and close by was W. C. Poillon of the Bankers Trust, New York.

BALTIMORE sent E. L. Robinson of the famous Eutaw Savings and Pell City, Ala., contributed its brilliant raconteur, Mc-Lane Tilton, Jr. There were "many others" too swift for the note book.

THE "White Section" of the bankers' specials will leave New York Saturday morning, September 7th, at 10 A. M. This train

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

will carry many delegates to the Detroit convention and will arrive in Detroit Sunday morning from Buffalo via the new steamer, "City of Detroit III," the arrangements for which have been made by the New York Central lines in order to insure the bankers a delightful trip from Buffalo to Detroit by water.

THIS trip has proved the most popular with the banking fraternity. Over 150 reservations have already been made and as usual is an assured success. A special musical program has been arranged on the steamer which is scheduled to arrive in Detroit at 10 A. M. Sunday morning in order to give the bankers a Sunday morning sail up the Detroit river.

THE "Blue Section" will leave New York at 5 P. M. Sunday afternoon from Grand Central Terminal, going direct to Detroit, arriving there Monday morning at 7:15. This train will be a counterpart of the famous "Wolverine" and is operated for the convenience of George and E. W. Woodruff who will be back from Europe only in time to catch it by taxi, and for the busy man who cannot arrange to make the trip on the "Red" or "White" specials.

IF there is anyone around 11 Pine Street working overtime it is Marian R. Glenn, the librarian. She likes it and has no kick coming. It's one of the weaknesses of genius and she would be black-balled by a labor union.

SHE is building up a reference library and a clippings-file of the greatest usefulness.

When you have to write an address ask her to help find the data. That's her job also.

IF you have a lot of financial clippings or an unused book or two on economics, finance or similar subjects, send them on at once. A friend of ours sent a whole bunch of stuff and following are some extracts from Miss Glenn's reply:

"WE shall be able to make good use of most of the books on financial subjects which you have been kind enough to send for the A. B. A. library, and I cannot better express our appreciation than by saying that they will constitute a valuable addition to our reference resources."

"THIS being the open season for annual reports, I have as yet had no opportunity of deciding whether the fiction falls in the category of the 'erotic, the neurotic or the tommy-rotic,' but a hasty glance at one of the titles suggests it might have filled the request which a modern Eve, aged twelve, made in the library where I once presided as purveyor of popular print, for 'a story where a man and a girl get so mixed up they don't know where they're at.' Perhaps the detective story would have done, upon another occasion, for the small boy who asked me for 'a good story about killing for a married lady.'"

NOW you know what to do with your surplus books and where to get willing, expert help when you may need it.

FOUR women recently have been found "not guilty" by Chicago juries after shooting to death their respective husbands. On the other hand the poor woman who only "threatened" with a revolver a saloon keeper who wouldn't quit selling liquor to her drunken husband was fined \$200 and went to the Bridewell for 90 days.

EVEN if you vote for Funk or Dunne for governor, don't forget to put a cross opposite the name of Andrew Russel for state treasurer of Illinois this year. He's the real thing!

ON the Southern Banker Special from Atlanta to Detroit there are 35 reservations, which will be increased at Cincinnati to about 100 persons, including at least 25 Cincinnatians. Haynes McFadden is the Major Domo of the occasion.

HARRY E. WEIL cuts in at Cincinnati as chairman of an entertainment committee to show up the town to the southerners during a short stop-over on Sunday morning, September 8th. There will be the inevitable auto-ride with a real breakfast at the Country Club. Th Big Four will do the rest.

THE southerners are to arrive in Detroit Sunday evening at 7:30 or 8 o'clock. The train will carry bankers from Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi and other states.

C. A. RUGGLES (and Mrs. R.) manager of the Boston Clearing House, will be in (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
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REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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DIVISION "F" (BANKS AND BANKERS)

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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**ARE YOU MERELY "SATISFIED"—
With Your Chicago Correspondent?**

**OUR AIM IS TO BOTH PLEASE
AND SATISFY OUR CUSTOMERS!**

Correspondence as to terms cordially invited

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Wm. G. Edens Addresses Trans-Mississippi Commercial Congress

The American people have awakened to the necessity of undertaking a great national enterprise, and one that will be far reaching in its material benefits, and of great historic importance to us as a nation. Your generous invitation to address this important gathering reminds me that to-day the subject of road improvement appeals to every intelligent, patriotic American. Speaking as average citizens, we read with but passing interest of the war-like achievements of the early Romans, and rarely evince a passing interest in the accounts of statesmanship of the men who erected the greatest governmental structure of the world, and one which has served as the foundation for all following governments. The glory of these men, and of their achievements along these lines in the mind of the ordinary man, is but a hazy recollection of lessons unwillingly learned, but every man knows, every schoolboy knows, that there was left by these men of that far distant time, monuments that still stand, and from all appearances will remain everlasting in the form of scientifically built and thoroughly constructed good roads.

The Roman Empire flourished and decayed; the Forum is little more than a memory; of the famous temples many have disappeared; the location of a few are yet marked by crumbling columns, but the Appian Way, and other roads of lesser importance, will remain solid, substantial monuments to the intelligence, the foresight and constructive genius of the Roman road builders, and even crossing to the British Isles we find that about all which remains to remind us that the Romans once invaded Britain, under the leadership of Julius Caesar, is an occasional strip of good road, constructed by the Roman invaders.

We of Illinois, appreciating the benefits that should come from co-operation, already are endeavoring to bring about improved conditions for our people through organized effort. The members of the Illinois Bankers Association present a splendid example of good citizenship in their energetic campaign for national aid in behalf of practical field, farm demonstration work, and their interest as actual owners of the soil, in the scientific study and practical care of its fertility.

The growing of alfalfa, the wonder plant, is an accomplished fact. There seems to be little or no question as to its adaptability to our soil conditions. Our farmers are being urged to cautiously but earnestly grow this crop and thus secure larger net returns from their land. The silo is making its appearance on every prairie farm in our state.

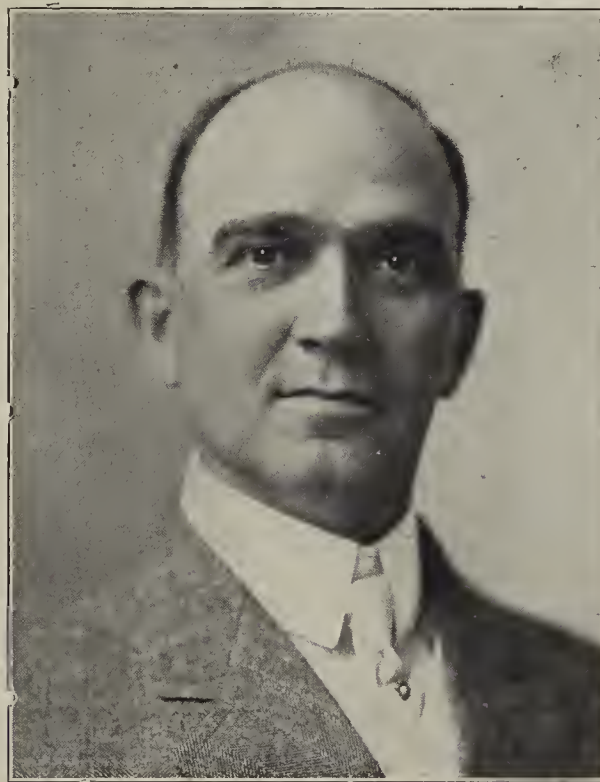
The bankers and educators have joined in an effort to secure at the forthcoming session of our legislature better educational advantages, and our proposed bill will include the teaching of agriculture in all rural schools, as well as domestic science, and in the cities and industrial towns, the introduction of trade or continuation schools and industrial training for the youth of our state, that they may enter upon vocational careers with useful knowledge for practical use in commerce and industry.

How natural when once engaged in the study of agricultural development and education that the subject of good roads should "bob up," and so we find our bankers associa-

President of the Illinois Highway Improvement Association on the national importance of a universal good roads movement, tells of his trip over the prison-labor built roads of Colorado and pays high tribute to Warden Thomas B. Tynan. An eloquent presentation of an important subject by the popular Illinois banker

tion has its committee on good roads, and recently has canvassed its 1,500 members as to road conditions; their views as to the best plan to be followed for future improvements.

On September 27th, at Peoria, Illinois, will occur our first state-wide good roads conven-



WM. G. EDENS
Chicago

tion, which will embrace in its membership representatives of every group of citizens in our state interested in this subject. I cannot refrain from telling you of the wonderful experience I have enjoyed the past two weeks inspecting the state prison labor built roads of Colorado, in company with their most interesting and enthusiastic state prison warden, Hon. Thomas B. Tynan of Canon City.

I have driven over several hundred miles of splendidly built roads, both mountain and plain. This example of successful use of prison labor is one worthy of consideration and investigation by the other states of our Union.

More than 400 of 800 inmates of the Colorado state prison are engaged in road making, and during the three years of this policy more than 1,000 miles of good roads have been constructed. I observed the convicts engaged in their daily work, and inspected the camps in which they were domiciled. One cannot help but see the humanizing influence of this outdoor employment of the state's unfortunate wards, and to feel that it is a positive good in the restoration of many to the ranks of citizenship. It has been suggested that in some of

our states where we have not been blessed with natural road material, that the time of the convicts, in winter, could be used either at the prisons or at some point where road material could be assembled, in preparing the materials, and in the summer months they could be used on the roads in actual construction work.

The greatest leader of the colored race, since the days of Frederick Douglass, has, I think, wisely led and advised his people to fit themselves for agricultural and industrial pursuits; in the south much of the road building has been successfully done by this class of our citizens.

Another phase of the road making development touches the matter of our natural scenery, and the advertising of its attractiveness to the people of this country. In Illinois our people have been quick to take advantage of the suggestion that we should see America first, and our state government recently has purchased several hundred acres that surround Starved Rock, a beautiful historic spot in the Illinois river valley country.

One of our rural editors in Illinois recently has hit the nail on the head when he said that "Rates should be radically lowered on the farmer's nearest freight line." No leading farmer was ever elected to the legislature who did not feel himself thoroughly competent to "wrangle with such trifling questions as those involved in the immediate reduction of the rates on every railroad in the state." And this he feels perfectly free to do, regardless of the fact that he has no proprietary interest in the railroad. It is true that the farmer does own a road, doing both a freight and passenger business. Generally speaking it is the poorest road that lies out of doors. It is the poorest built road, generally speaking, that ever happened. The road that the farmer owns runs right by his own farm. The freight rates on it are so high as to be an outrage. If the railroads were as poorly built, kept in as poor repair, and charged such preposterous rates, there would be a revolution in this country. And we could have no more farmers' institutes until the farmers got back from the war. This road that the farmer owns is the common, or garden variety, of dirt road, found everywhere in Illinois and in other states. To haul wheat over it for the average distance of less than ten miles costs \$1.80 per ton. The rate on European roads, of the same class, is only ten to twenty cents per ton. It costs more per bushel to haul wheat the average distance from an American farm to the railroad station than it does to transport it from New York to Liverpool, a distance of 3,100 miles. Not being a high-browed professor from a state agricultural college, I have forgotten the number of the agricultural department bulletin where I got the figures. But they're right. The unnecessary and extravagant cost of haulage on the poor country roads of this state is one of the heaviest taxes that the farmer pays. In the name of common sense why don't he reduce the freight rates on the dirt roads before he asks for any further reduction on the iron road. He owns the dirt road. He does not own the other. But he only can

The Fourth National Bank Of the City of New York

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President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

OFFICERS
F. H. FRIES
President
JAS. A. GRAY
Vice-Pres.
H. F. SHAFNER
V.-Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

reduce the rates on his own road by learning from the men who have reduced them—often under compulsion—on the iron road. He can do it by cutting down grades, by building scientific and permanent roadbeds, by building heavier and permanent bridges, by improving his motive power and rolling stock. The King road drag should be as common on the dirt road as the hand car and section gang are on the iron one.

In Iowa, where soil conditions are similar to those of Illinois, they have a compulsory drag road law; this has worked wonders for road improvement in that great agricultural state, and as the dirt road must figure largely in this road story in many of the middle western states it is worth while to encourage the systematic and consecutive dragging of the dirt road.

Some eighteen years ago when General Jacob S. Coxey marched his ragged army into our national capital, he proposed an expenditure by the national government of \$500,000,000 through an issue of road bonds to aid in the construction of national highways, and to give work to the unemployed. At that time he was considered an irresponsible crank, and yet to-day members of congress are seriously considering the appropriation of funds to build great national highways, and particularly with reference to the maintenance of roads used by the rural free delivery system.

We all know that the price of lands lying near elevators and transportation facilities always are higher than lands which lie remote from these advantages. Cheap freight rates, and ability to quickly reach the consuming population necessarily regulate these values.

Without regard to our opinions with respect to the capitalization, or their manner of conduct, of the steam railroads of this country, we must take off our hats to the hard headed business common sense that has influenced our leaders in the railroad world in the development of their properties with respect to their ability to earn dividends for their stockholders. We all know that during recent years the geniuses of railroad operation have, by the elimination of grades, straightening of curves, etc., been able to increase their mile tonnage at low cost while the farmer continues hauling his freight over the same hills and bad roads at maximum cost, and over roads that he himself owns and operates.

In opening my remarks I spoke of the Roman road builders—in closing I might suggest that like all great civic improvements, the incentive came from the people, and the needs of the people. The Roman roads were built, not alone because of the desire for good roads

on the part of the Roman statesmen, but because of the desire and necessity to furnish the restless populace with an outlet for their energy, and the great working classes with the means to occupy themselves and maintain their families.

For some few years the people of this country have been restless—the aggregation of wealth in the hands of the few—the development of inventive genius along the lines of labor saving devices has deprived hundreds of thousands of the means of earning a livelihood, formerly employed, until to-day the great cities and smaller ones as well are overrun with almost countless thousands of men vainly seeking employment. The people have a right to and are demanding that the state governments and the national government find some means of supplying these people with honest labor.

There has been an attempt to create a "Back to the Farm" sentiment, thus far with indifferent success. I believe that one great factor in the solution of the problems now confronting us is the transferring of a considerable percentage of our urban population to rural. If the good roads question is taken up seriously by state and national governments it would mean the construction of great highways from ocean to ocean, and from gulf to lakes, with a network of interlacing highways calling in

their construction for the labor of all unemployed.

It would take to the country the great army of the cities' idle where the great majority undoubtedly would remain to be numbered among the nation's producers, and finally the culmination of the work which is being urged forward by this convention, and would bring about those most sought for conditions—civic improvement, business tranquility and commercial prosperity, and would make us, indeed, not only the greatest nation in a business way, but would make us the greatest nation of happy, contented men and women in all the world.

COLORADO STATE BANKERS CONVENTION

The Colorado State Bankers Association met in Pueblo, August 19th and 20th, there being present some two hundred and fifty Colorado bankers, together with fifty visitors from other states. The meeting was called to order by the president, Frank N. Briggs of the Interstate Savings Bank of Denver. Secretary P. T. Slayback, having recently resigned on account of moving from the state, G. T. Wells of the Denver National Bank, was appointed acting secretary, assisted by H. E. Alderdice, cashier First National Bank of Rocky Ford, and J. F. Maurer, cashier of the Miners and Merchants Bank of Lake City.

The very interesting program was interspersed with many entertaining stunts, which can only be produced by a virile western city like Pueblo. Every delegate and visitor was presented with a handsome card case, enclosing a frank for use on the Mountain States Telephone and Telegraph Company; tickets good on all street cars, complimentary tickets to the various clubs in the city, passes through the steel works, smelters and other large industries in the city, a free auto ride about the city and into the intensive farming region surrounding Pueblo, known as the "Garden Spot of America," and last and greatest of all, a ticket to the buffalo barbecue, containing a coupon drawing card for the drawing which followed the barbecue. This was no doubt the first and possibly the last opportunity many of the hundreds of visitors will have to taste barbecued buffalo.

The buffalo had been procured from the only buffalo herd within the state of Colorado. The head and hide had been beautifully mounted, and the feet made into a tabouret. These were presented by the people of Pueblo to the bankers. When the drawing was conducted, the head, valued at \$500.00, was won by Fernando P. Neal, chairman of the board of directors of the Southwest National of Kansas

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City; the hide, valued at \$300.00, was won by J. S. Gough, president of the First National of Eads, Colorado; and the tabouret, valued at \$100.00, was won by W. H. Haley, cashier of the First National of Rifle, Colorado.

Six hundred bankers, their wives and friends, partook of the barbecue and the elegant dinner, composed of Colorado products, such as Rocky Ford cantaloupes, Greeley potatoes, Arkansas Valley vegetables and fruits. The ladies were presented with bouquets of mountain flowers, while the men enjoyed the Pueblo-made cigars in the many cool and shady spots found in the Mineral Palace Park, which was pronounced by President Taft to be one of the most beautiful parks in the United States.

While the program was an exceedingly long one, it was handled with a smoothness and despatch that added to the interest of each paper, enabling the convention to adjourn at exactly the appointed hour. An innovation in the way of an evening session was most successful, able addresses being delivered at this session by Charles G. Dawes, president of the Central Trust Company, Chicago; Detective William J. Burns and Private John Allen, the well-known citizen of Mississippi. Among the out-of-state visitors were well known financiers of New York, Chicago, St. Louis, Kansas City and San Francisco. Many of the brethren from Texas and the other adjoining states graced the meeting with their presence.

The report of the resolutions committee was adopted, providing for a legislative committee instructed to secure the passage of a bill appointing a state commission to pass upon all issues of stocks and bonds offered to the investors of the state; especially is this done with a view of encouraging and assisting agricultural development. It was demanded that the bankruptcy laws of the United States be amended so as to put a stop to abuses. The passage of a law to protect people against the practice of issuing short checks, was endorsed, as were the plans of the monetary commission for a revision of the banking and currency laws. A committee to work out a plan for uniform rates and exchange charges also was appointed.

Officers for the ensuing year were elected as follows: President, H. M. Rubey, cashier Woods-Rubey National, Golden; vice-president, Fred O. Roof, president Minnequa Bank, Pueblo; treasurer, George F. Trotter, assistant cashier First National, Pueblo; secretary,

Paul Hardy, cashier Interstate Savings, Denver. Charles S. Haughwout, cashier of the First National of Denver, was elected vice-president of the American Bankers Association from Colorado. Allen Ayers of the Continental Trust Company, Denver, was chosen a member of the A. B. A. nominating committee.

Everyone who attended the convention was enthusiastic in his praise of the royal manner in which the visitors and delegates were entertained by the Pueblo bankers. The splendid program of entertainment provided was the result of much work and thought. The convention closed with a grand ball at the Minnequa Club.

TRADESMEN'S TRUST REPORT

The auditor's report of the Tradesmen's Trust Company issued Tuesday shows a balance of \$461,407 on December 18, 1911, for distribution. The costs of the receivership amount to \$52,684 and allowances on wage claims and set-offs \$8,100, leaving a net balance of \$400,622. Payment is provided for \$396,321, a 37½ per cent dividend. The auditor's account does not take into consideration the company's realty transactions in Philadelphia and Brooklyn. The receiver has on hand about \$200,000 for further distribution. The report in its findings awards to counsel, Samuel M. Clements, Jr., \$7,500; to the creditors, \$17,000, and to the receiver, \$15,000.

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Montana Convention

The Montana Bankers Association held their ninth annual convention at Kalispell, August 23d and 24th. J. W. Spangler, vice-president of the Seattle National Bank addressed the convention on "Commercial Arbitration." Other addresses were by C. P. Donnelly, state agent National Surety Co., Helena, on "Corporate Surety Bonds"; H. von der Weyer, cashier National German-American Bank, St. Paul, on "Financial Problems"; and E. T. Coman, president Exchange National, Spokane, on "Liabilities and Responsibilities of a Bank Director." Mr. Coman's address will be found in part elsewhere in this edition.

NEW BANKS IN MONTANA

Two new charters have been issued by State Bank Examiner F. E. Hoss, one to the Farmers State Bank of Willison in Park county, and one to the Chester State Bank at Chester, Mont. The Farmers State Bank will open for business with a capital of \$25,000 fully paid in, and with the following officers: E. G. Blair, president; and E. T. Grunell, cashier. Willison is a busy little town on the Shields River branch of the Northern Pacific, about 28 miles from Livingston.

The Chester State Bank opened with a paid in capital of \$25,000, and with F. P. Sheldon, president, and J. O. Berglin, cashier. The bank was formerly a private institution known as Sheldon Bros. & Co. Of the ninety-four banks in the state prior to July 1, 1911, but 26 remain private banks, and seven of these are now making arrangements to become state banks under state supervision.

The First National Bank of Strawn, Texas, has been organized with a capital of \$25,000. S. J. Stuart is president and S. J. Crouch is vice-president of the new institution.

The safe of the May State Bank of May, Okla., was blown open last Sunday morning and about \$2,000 in silver and currency taken. Much damage was done to the building and safe. No clue has been found as to the identity of the robbers.

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America Leads Whole World in Banking Power

President P. L. Hall of the Central National, Lincoln, in his address on "The Record" briefly recounted the origin of our banking system and then said:

"The banking power of a country is the combined capital, surplus, circulation and deposits of its banks. Using these items as a unit of measure, this country stands easily the greatest banking power on earth—yes, the greatest the world has ever seen. Its banking power is greater than the combined banking power of Great Britain, France and Germany, the three greatest commercial powers of Europe. It has forty per cent of the banking power of the entire world; and all this might be said to have been built up in the short space of fifty years.

"Coincident with this growth of banking power has been the growth of the commercial power of the United States with a national credit the highest of the nations of the earth. It has in its treasury vaults a store of gold whose magnitude staggers belief—one billion, three hundred million dollars of gold; the greatest store of gold recorded in all history, and still increasing. If gold is the king of metals and rules the world, then the United States is its castle. This is the record. And now in the fullness of financial and banking achievements we hear our banking system characterized as the worst in existence, and our currency system as obsolete and the acme of superannuation. With every dollar of paper money issued the equivalent of a gold dollar, with a system of banking safeguarded in every way by the watchful eye of law, with a record of loss to depositors unequalled (the crowning glory of its record), we are told it is all a colossal financial failure. We all admit we have need for improvement, but when we stop to think that in all the fifty years the national

P. L. Hall of Lincoln after discussing the origin of our present independent unit system tells the Nebraska bankers of its strength and standing among the nations

banking system has been in existence, if the small tax paid by national banks to the government, on circulation alone, had been used to pay the ultimate losses of depositors in



P. L. HALL
Lincoln, Nebraska

these banks, every dollar of loss would have been paid and the treasury still would hold a neat sum. It is said the failure of the Bank of Glasgow alone lost to British depositors a sum equal to all the ultimate losses in all the national banks of the United States since the beginning. The record of France, of Germany and other continental powers, all show losses to depositors far in excess of what we have sustained. Canada has a record not to be compared with ours in this respect.

"It is fifteen years since a national bank failed in Nebraska. Only two thousand dollars has been lost to depositors in state banks in Nebraska in eight years, with an average total deposit of sixty million dollars.

"We have had panics in the past and will have them again; we have had periods of depression and will have them again. Against these days of evil all would provide, but every student of finance knows that credit is only a visible expression of confidence and that credit expansion always has a point of danger, beyond which lies loss of confidence, and breakdown of credit. This holds true of individual credit, of collective credit, of national credit. It is a law. In 1907 we were riding on an apparently unparalleled wave of prosperity, and suddenly in October, that year, came a breakdown of overstrained credit, and panic followed. That is the history of every preceding panic—prosperity, overstrained credit, panic. All at once, everybody that had a dollar of money gripped it tight; banks and all did it; after a while confidence came back, and people and banks let go their money and the storm was over. Fortunate were we that the breakdown of credit was largely confined to a limited section. The country as a whole was sound. I am asking you to contemplate what might have been the result with an unsound

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currency system. Everybody knew there was plenty of money—gold or good as gold—somewhere, and they had faith it would come back. Suppose our currency in times of prosperity and speculation should expand with the expansion of credit; or suppose it based partly or wholly on commercial credit—in time of panic, what would the result be? Better a premium in a crisis on good money, than an abundant depreciated currency. We have heard much since 1907 of the defects of our currency and banking system, and some very radical remedies are proposed. It is said a large fund of money has been raised to influence public opinion to desire a change in our currency and banking system. Tons of literature and able advocates have striven hard to create public sentiment for a change and to convince the public mind that we have the worst banking and currency system on earth. The so-called National Citizens League is the leader in this agitation.

"They have offered a plan that does not propose by a process of evolution to further perfect the present system, but to revolutionize it. While I have great respect for the ability of Senator Aldrich and wish to give due credit to the members of the National Citizens League and especially the estimable gentlemen of Nebraska whose names grace the roster of the league in this state, a careful analysis of the league's literature reveals desires for innovations in our banking and currency systems unsound and undesirable. The proposed Aldrich bill is supposed to embody their desires, although of late they seem inclined to accept something just as good.

"The whole plan, ostensibly proposed to strengthen our banking system and to prevent bank panics, will only weaken the system and precipitate panics. It teems with expansion and inflation, which has always engendered suspicion, fear and panics.

"We all want our banking system improved and strengthened; we all want a provision for an emergency currency that is practical and based on sound economic and financial principles; but we do not propose to revolutionize what we now have to try experiments of this kind.

"However, out of this agitation will come good. Out of the study and discussion aroused will come a further perfecting of our currency supply—but not by creating a money trust or a bank oligarchy—neither will the government prerogative to issue and control the money of the country be delegated to private interests. Nor will the interests of the borrower be made paramount to the interests of the depositor. The borrower is always the breeder of panics. The depositor is the basis of banking power.

"Whatever may be the course of currency legislation or credit legislation in the future, one patent fact stands out boldly in the discussion recently had and that fact is that an attempt is being made to supplant the currency we now have based on government credit, by a currency based on private credit with what is termed an elastic attribute, a term all true economists are unable to apply to any measure of value.

"This in face of the fact that all history in all lands proves conclusively that instead of being a preventive of panics, a currency based on private credit is a breeder of panics. Everywhere it has been tried it can be shown

that in answer to the swelling tide of expanding credit and speculation, the quantity of credit money in response to demand increases until credit breaks and the ruin is the greater because of the error of an inflated currency being added to an inflated credit. Money, like every other material thing, can only have stability of value when restricted in quantity and that form of money not questioned in time of storm and stress is the sheet anchor of returning prosperity.

"Nor will the proposition to abolish the present reserve requirements by which banks are compelled by law to keep a certain per cent of their deposits in cash or with approved reserve agents be accepted. The English plan is suggested—one great bank of issue and all the rest of the banks loan even the penholders and depend on the one bank of issue in time of trouble. This, notwithstanding the fact that England under a system much like this has had more disastrous panics and more of them than any other nation.

"Another innovation proposed relates to what might be termed certified overdrafts and easy methods of rediscount. This is intended to lure the small banker and small trader, but is such an absurd proposition for a country so large and with such diversified interests as the United States, that I would apologize to you for mentioning it were it not for the fact that it is apparently offered in good faith by the organized opponents of the present banking system.

"Let our banking system continue to develop with experience as a guide and teacher.

"Let the present currency alone or touch it with careful hands. Provide an emergency currency to be supplied by the government in a direct, simple, but financially sound method, to be used only in time of hoarding and panic, along the lines of the provisions of the present Vreeland law and let this independent banking system go on to a greater fulfillment of its mission. In addition, provide for an international banking system if you will to care care for our foreign trade and commerce and Columbia will rule the financial world."

C. H. Huttig

C. H. Huttig has booked a party of six from Utica, N. Y., on the "White Special" for Detroit. He has been up at the Adirondack League Club, Lake Honnedaga, Forestport, N. Y., for the summer and his health is greatly improved. Mr. Huttig will attend the convention at Detroit accompanied by his wife and her maid. There are three other people in his party. All of Mr. Huttig's friends in the A. B. A. will be pleased to learn of his return to health.

ROSY CROP OUTLOOK FOR THE NORTHWEST

Ralph Van Vechten, vice-president of the Continental and Commercial National, who, with M. B. Cottree and F. G. Wickett, president and director respectively of Drexel State Bank, recently has returned from an automobile tour of the northwestern states, says that bumper crops for that section of the country, and particularly in wheat, practically are assured. It is estimated that the money value of the crop in Wisconsin, Minnesota, North and South Dakota and Montana will approximate \$522,623,000. Mr. Van Vechten believes that the only problem with which the farmer will be forced to contend is the securing of cars in which to transport his crop. All the crops are in excellent condition. Many bankers who were visited anticipate a rise in land values as a result of the bumper crops.

JULY RAND-McNALLY DIRECTORY OUT

The big Rand-McNally blue book, the Bankers Directory always at par, will be out next week, with corrections for July. Since the last issue it has been made the official directory publication for the states of Kansas, Kentucky, Montana and Ohio. The Rand-McNally Bankers Directory to-day is the result of over forty years' experience. Nothing has been left undone to make it as nearly perfect as experience, continual vigilance, time and money will make it. Information is collected direct, twice a year, at a cost of thousands of dollars in postage alone. Every known method for obtaining information is put in practice. If you are in wrong it is because you sent in wrong data or did not send it in at all.

The Daggett State Bank of Menominee, Mich., has been organized with a capital of \$20,000 and the following officers: President, Paul Perrizo; vice-president, Andrew E. Weng; directors, Dr. Landsborough, Lars E. Weng, Edward Perrizo, Erhart Nelson, Andrew E. Weng and Paul Perrizo.

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ILLINOIS BANKING NEWS

By C. C. Burford

The state auditor of public accounts has issued a statement of the earnings and dividends of the 536 state banks in Illinois. The statement shows that while the expenses increased the dividends on capital invested likewise increased over 1911.

The gross earnings per total investment were 5.78 per cent against 5.72; the gross earnings per capita were 63.57 per cent, against 60.20; the net earnings per capita were 19.63 per cent, against 19.37.

Time savings deposits amounted to \$282,743.680, an increase in the year of \$24,189,513; the number of savings deposits was 915,750, an increase of 83,970, and the average amount on deposit was \$308.74, an increase of \$2.09.

New Bank at Newman

The First State Bank of Newman opened its doors for business, August 28th. W. R. Hidy, for a number of years cashier of the Champaign National of Champaign and an experienced banker, will be vice-president and cashier. Thomas Shaw is the president and the directors and stockholders include some of the best business men and farmers around the town. Newman is in Douglas county and lies in one of the richest agricultural districts in the state. The town, of about 1,600 people, has paved streets and recently experimented with a stretch of paved country road extending out into the farming district. Land which was considered already "too high" around Newman, as it was selling for about \$225 to \$250 an acre, took another upward jump when the country pavement was laid and real estate immediately abutting the pavement cannot be purchased for \$350 per acre now. It may be that hard roads will pay after all. For years Newman, one of the best small towns in the state, has had only one bank, this being the Newman National. There is plenty of room for the new institution and it will do a good business. The capital will be \$25,000. Newman is one of those prosperous little country towns where almost everyone rides in autos.

Hopkins Increases Wheat Yields

Application of phosphorus to certain experimental wheat fields in Illinois under the observation of Dr. C. G. Hopkins, of the Uni-

versity of Illinois, has increased the yields from 14.4 to 28.9 bushels to the acre this year. These experiments have been in progress for several years and each year the increase becomes more marked.

In the spring of 1912 farmers in Illinois abandoned 53½ per cent of their wheat acreage for other crops, and the bureau of statistics reported a promise of only 41 per cent of a normal crop on the remaining acres. Dr. Hopkins has spoken before many conventions of bankers and is well known to many financiers.

Len Small Directs Large Fair

Len Small, president of the First National of Kankakee, federal subtreasurer in Chicago, and lately candidate for the republican nomination for governor of Illinois, is the secretary of the Kankakee county fair, said to be the largest and most important county fair in the state. Thousands of Chicago people go down to Kankakee in autos or by interurban railroad to visit this county fair and the attendance is always large.

County fairs in Illinois, which a few years ago seemed to be dying out, have recently taken on a new lease of life and are as popular as they have ever been. Horse-racing seems to have lost not a whit of its charms and in a way is more desirable than ever. One county fair in Central Illinois listed over 100 race horses besides show horses. Aeroplane flights, automobile exhibits, automobile and motorcycle races and vaudeville stunts have been added to the old attractions of the

county fairs in many cases and crowds come in autos, buggies and on trains.

Mr. Small is making a specialty of cattle raising on his fine stock farm near Kankakee and is a banker-farmer of a progressive type.

Like Crop Report of Big Bank

The annual "Crop Report and Review of Business Conditions," published by the Continental and Commercial National of Chicago, is in the hands of country bankers and a summary of this interesting pamphlet has been made by many bankers. The entire country is covered and practically every line of commercial enterprise is reviewed. Bankers find in this annual report of business conditions published by the mammoth Chicago bank a most careful and candid review of fundamental conditions and tendencies and an analysis which can be relied upon. The absence of a political bugaboo is one of the most optimistic parts of the interesting little volume. In the corn belt of Illinois, corn, oats, live stock, high-priced land and automobiles are the things of interest and not political discussions.

Good Roads Convention at Peoria

William G. Edens, assistant secretary of the Central Trust Company of Chicago and president of the Illinois Highway Improvement Association, has sent word to Peoria that the widest publicity possible will be given to the

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MORTGAGE AND BOND BANKERS
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STRAUS BUILDING, CHICAGO.



good roads convention to be held in that city September 27th. Various daily newspapers as well as agricultural and automobile publications will "cover" the convention and "will discuss ways and means of furthering the cause of good roads."

Illinois Notes

The Marquette Cement Manufacturing Company of La Salle has set apart from its surplus \$180,000 for the purchase of additional machinery. It is said that demands from the farms of the Central West for cement has made it necessary for the plant to increase its quarters. The age of cement for the farm seems to have arrived, as the floors of stables, feeding yards and of garages are made in many cases of this material while posts, foundations and walks are likewise made of cement. The day is rapidly coming when the farmer is building for permanency.

ANSWERS BANK POLICY CRITICS

Announcement is made from Washington that the comptroller of the currency has approved the application for permission to organize the Rogers Park National Bank in Chicago with a capital of \$50,000. Only a short time ago the comptroller issued a charter to the Ravenswood National Bank, and it has begun business with \$50,000 capital and \$10,000 paid-in surplus.

It has been stated at the office of the secretary of the treasury that the Chicago bankers who are criticizing the comptroller of the currency's approval of the application of the Rogers Park National Bank are laboring under a misunderstanding of the situation. Comptroller Murray, it is stated, has not ignored any ruling of the secretary in approving the application for a charter in this case. In fact, there has been no actual ruling by the secretary, the law itself being explicit with regard to the amount of capital stock a bank must have. The law provides that in cities of a certain size the capital stock must be at least \$200,000; but there is a provision that "in places" of 50,000 population the capital stock may be as low as \$50,000. The treasury department, on the advice of the solicitor of the department, who made a direct decision on a case of similar character, holds that "places" may mean parts of an incorporated city which formerly had a municipal identity of their own, Rogers Park being so considered.

W. F. Doggett

W. F. Doggett, assistant cashier of the Colonial Trust and Savings, Chicago, is spending his vacation up at Georgian Bay.

NEW OFFICERS AMERICAN INSTITUTE OF BANKING

With the selection of Richmond, Va., as the meeting place for 1913 and the election of officers for the ensuing year, the convention of the American Institute of Banking held at Salt Lake City, Utah, closed last Friday. Byron W. Moser of St. Louis was given the presidency by acclamation, no other candidate having been advanced for the honor. Harry V. Haynes, of Washington, D. C., though not present at the convention, was elected vice-president, Harry S. Smale, of Chicago, was elected secretary, and Irwin L. Bourgeois, of New Orleans, was elected treasurer, all by acclamation. No other names were presented.

Q. B. Kelly, former president of the Salt Lake Chapter, was given a place on the executive council of the national institute in the only contest that developed in the convention over the national officers. Robert H. Bean, of Boston, and T. R. Durham, of Chattanooga, also were elected to the council, there being three vacancies to be filled by the institute at large. At a meeting of the council after

the convention had adjourned, L. H. Woolfalk of Seattle, and C. W. Allendoerfer of Kansas City, were elected to the council as representatives of the Fellows of the institute. The Fellows are those members holding certificates of graduation in the courses of the institute. First and second prizes given annually by the American Institute of Banking for essays were awarded at the national convention here to-day. Victor S. Palmer, of San Francisco, gained first honors and the second prize went to Leo Shaperer, of Portland, Ore. The essays were upon a system for analysis of incoming transit items described by number instead of name.

ARBA PERRY RETURNS FROM WESTERN TRIP

Arba Perry, representing the Colonial Trust and Savings Bank of Chicago, has just returned from an extended trip through the West, where he was present at the conventions of the Colorado and Nebraska bankers. Mr. Perry says that conditions in that section of the country never were better. He estimates that the money value of the crop in Colorado alone will approximate two hundred millions. Sugar beet growing is quite an industry in that state. It is likely that that crop alone will amount to between three and four millions this year. The irrigation districts in Colorado in particular are very successful for the reason that the land is owned and occupied by people who farm it themselves, and is not bought up by speculators. Mr. Perry says that everywhere he went the general impression seemed to be that politics will have absolutely no effect whatever upon the general situation. He believes that the country is about to enter one of the greatest eras of prosperity ever known in its history, and that if people do not make money within the next few years the fault will lie with them. A strong feeling of optimism prevails throughout the entire West, as the bumper crops naturally will be reflected in increased profits to all business and industrial enterprises, and it is believed that the banks will receive their full share.

Mr. Perry says that there were large attendances at both the Colorado and Nebraska conventions, and that the addresses and entertainments furnished were of the very highest order. Much useful information was taken away by those in attendance.

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Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Custom and law provide a three days' rest for Milwaukee bankers next week, comprising Sunday, Labor Day, and primary election day. The banks closed Saturday noon, therefore, not to reopen until Wednesday morning. Confusion in the laws providing for primary election day closing necessitated the calling of a special meeting of the Milwaukee Bankers Club on Wednesday noon when legal talent was brought to bear in solving the difficulty. The 1909 primary election law demands the closing of places of business on primary election day, while the law passed at the last session of the legislature stipulates only that they shall close at noon. It was found that there was nothing in the last enactment repealing or affecting the earlier ones, so the Milwaukee bankers decided to take no chance and close for the entire day Tuesday.

To the A. B. A. Convention

Fifty-four Wisconsin bankers have signed for reservations on the Wisconsin Bankers Association special to the A. B. A. convention at Detroit. The train will leave Milwaukee Monday morning, September 9th, at 7:15 o'clock. Secretary George D. Bartlett of the association expects that tardy Wisconsin bankers and Minnesota delegates will augment the number to more than 100.

To Save Collection Charges

Heavy deposits will be made in Milwaukee banks by Philadelphia trust companies if the reports that the latter are to open accounts here and in other western cities to save collec-

tion charges aggregating large sums annually, are true.

"There are no set rates for collection here as in New York," said President Oliver Clyde Fuller of the Wisconsin Trust Company. "Collection courtesies are still a matter of reciprocal relations between banks. The action of the New York clearing house in fixing a standard rate several years ago led to the opening of many accounts in Philadelphia where no such regulations exist. Although I have no authoritative report of this recent action on the part of eastern banks, it is not unnatural that they should do something of the sort."

Milwaukee Notes

Milwaukee delegates to the meeting of the American Institute of Banking at Salt Lake City, Utah, last week are making a tour of the Pacific coast before returning home.

The Kneeland-McLurg Lumber Company of this city has increased its capital from \$50,000 to \$1,400,000, following the purchase of the John R. Davis Lumber Company, Phillips, Wis. The newly acquired holdings of the Milwaukee concern include two mills and 56,000 acres of timber land. President D. M. Kneeland says that the company expects to produce 50,000,000 feet of lumber a year.

Wanted to Buy a Motorcycle

A forged check, signed in the name of the Milwaukee Oil & Supply Company and made out to the Germania National Bank, was the tender with which a stranger attempted to

purchase a motorcycle from a prominent Milwaukee dealer this week. The dealer became suspicious and called the bank but the stranger disappeared minus check and motorcycle during the telephone conversation.

Concerning Wisconsin Banks

The Rock County Savings & Trust Company, Janesville, incorporated this week for \$50,000. Incorporators are A. P. Burnham, C. S. Jackman and F. H. Jackman.

The articles of incorporation of the Begium State Bank were also approved this week. Capital is \$15,000 and the incorporators include N. Hubing, Frank Pauly and F. J. Witmeyer.

The State Bank of Emery has increased its capital from \$15,000 to \$25,000.

TRANS-MISSISSIPPI CONGRESS MEETS IN SALT LAKE CITY

At the first day's session of the Trans-Mississippi Commercial Congress in Salt Lake City this week, A. C. Trumbo, president of the congress, said that good roads are effective in securing for city people the advantages of fresh air, and for rural people the benefit of church, school and social advantages equivalent to those enjoyed in the cities. William G. Edens of Chicago also talked on the subject of good roads. He traced to bad roads much of the cost of transportation and the expense of living. He believes that the employment of convict labor not only would make better roads, but better ex-convicts.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

BANQUET-ON-WHEELS

(Continued from page 1)

- Ia.; C. E. Batcheller and wife, Fingal, N. D.
Table 8—William A. Tilden and wife, Chicago; John Fletcher and wife, Chicago.
Table 9—A. V. Lane, wife and daughter, Dallas, Texas.
Table 10—N. E. Franklin, wife and daughter, Deadwood, S. D.; Miss Ella Moore, Evanston, Ill.

First Call, Car Three

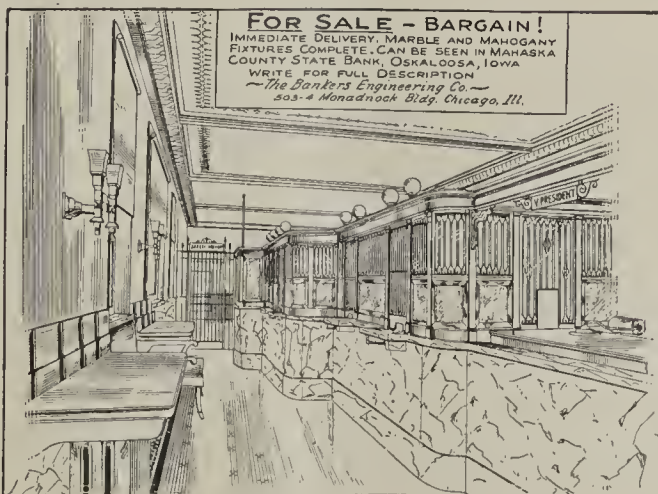
- Table 1—R. C. Peters and wife, Omaha; Walter E. Miller and wife, Nampa, Idaho.
Table 2—James K. Lynch and wife, San Francisco; P. C. Kauffman and wife, Tacoma, Wash.
Table 3—Kelsey S. Chase and wife, St. Paul; D. C. Armstrong and wife, Albert Lea, Minn.
Table 4—Paul Rosetti and wife, Los Angeles; Charles Elder and wife, Los Angeles.
Table 5—H. E. Otte and wife, Chicago; F. A. Crandall, Chicago; John R. Washburn, Chicago.
Table 6—Andrew J. Frame and wife, Waukesha, Wis.
Table 7—M. H. Greenebaum and wife, Pontiac, Ill.
Table 8—N. H. Greene and wife, Moline, Ill.
Table 9—E. S. Irish and wife, Denver, Colo.
Table 10—James G. Wakefield and wife, Chicago.

Call Two, Car One

- Table 1—R. L. Rutter, Spokane, Wash.; A. M. Eckman, Hendrum, Minn.
Table 2—W. G. Shuham, Waitsburg, Wash.; J. D. Hoge, Seattle, Wash.; W. A. Sandoe, Marshalltown, Ia.; Thomas C. King, Chicago.
Table 3—William George and party, Aurora, Ill.
Table 4—Wm. B. Hughes, Omaha; F. H. Colburn, San Francisco; Oscar G. Foreman, Chicago; G. W. Telling, Danville, Ill.
Table 5—Ira Rodamer and wife, Waterloo, Ia.; C. P. Jordan and wife, Sutherland, Ia.
Table 7—W. T. Fenton and wife, Chicago.
Table 8—C. R. Hannan and wife, Council Bluffs, Ia.
Table 9—C. A. Ruggles and wife, Boston, Mass.
Table 10—C. S. Castle and wife, Chicago.

Call Two, Car Two

- Table 1—G. B. Smith, Chicago; C. W. Ross, Grand Forks, N. D.; K. M. Van Zandt, Jr., Mexico City, Mex.
Table 2—William C. White, Peoria, Ill.; W. E. Stone, Peoria, Ill.; Henry A. Haugan, Chicago; Jos. R. Noel, Chicago.
Table 3—W. G. Edens, Chicago; E. J. Bowman, Anaconda, Mont.; W. D. Vincent, Spokane, Wash.; C. C. Swinbourne, Butte, Mont.
Table 4—J. W. Wheeler, St. Paul; J. R. Mitchell, St. Paul; N. F. Hawley, Minneapolis; W. F. McLane, Minneapolis.
Table 5—Craig B. Hazelwood, Chicago; Raymond B. Cox, New York; Thomas L. Evans, Beaman, Ia.
Table 6—S. M. Jackson, Tacoma, Wash.; G. B. Burke, Tacoma, Wash.; E. T. Coman, Spokane, Wash.; M. M. Cook, Spokane, Wash.
Table 7—A. E. Edwards, Los Angeles; C. W. Bush, Woodland, Cal.; B. F. Hunt, San Francisco; John R. Washburn, Chicago.
Table 8—George F. Orde, Minneapolis; Joseph Chapman, Minneapolis; C. H. McNider, Mason City, Ia.; C. B. Mills, Clinton Ia.
Table 9—C. V. Smith, Minneapolis; W. A. Durst, Minneapolis; F. J. Belcher, Jr., San Diego, Cal.; Charles A. Smith, Oakland, Cal.
Table 10—L. E. Stevens, Des Moines; Clifford DePuy, Des Moines; L. E. Wakefield, Minneapolis; George E. Pearsall, Des Moines.



LIPPINCOTT'S FOR SEPTEMBER

The new Lippincott is out for September and continues to be the best buy for the money.

The September Lippincott's table of contents proves a strong plea for the diverting quality of American fiction. The complete novel is "The Ranch of the Blue Sea," by J. W. Muller. This is the first long story by a writer whose short-stories have brought him rapidly to the front during the past few months.

"Beautiful Sebastiana," a short novelette by Marie Van Vorst, is a story of love and adventure during the great Sicilian earthquake. "Wooing Dorothea," by Jessie A. McGriff, is an Atlantic City love story of an original type. Other noteworthy short stories are "The Movable Feast," by Hulbert Footner; "Sanctuary," by John Fleming Wilson; "Seventy Times Seven," by Lizette Woodworth Reese; and "In the Kingdom of Not-in-the-Least-Bit-Like-it," by Kate Masterson. The "Short-Story Masterpiece" is "In Exile," by a Russian writer, Anton Chékhov. As usual, there is an introduction by the editor.

"A Plebe's Life at West Point," by W. S. Sample, is funny and interesting. Mrs. La Salle Corbell Pickett writes of Edgar Allan Poe under the title of "The Poet of the Night." Edward Sherwood Meade, Ph.D., contributes a financial article on "The Securities of Public Service Corporations." In the "Ways of the Hour" department the following subjects are treated entertainingly and succinctly: "Compensation for False Imprisonment," by Ellis O. Jones; "Muck-raking," by W. B. Blake; "Those Who Travel," by W. J. Lampton; "The Fly," by Edmund Moberly; "What Fame Brings to a Popular Diva," by Robert Grau; and "Physical Examination of Motorists," by F. M. Bogan. Churchill Williams conducts the automobile department. "Twentieth Century Travel," while E. S. Meade answers questions on financial subjects in the department "Investments."

OUT-OF-TOWN VISITORS

Among the out-of-town bankers who were in Chicago this week are W. G. Raymond, cashier of the Security National, Oklahoma City, James P. Roach, representing the American Exchange National Bank of New York, and W. L. Buechle, vice-president of the Southwestern National Bank of Commerce, Kansas City.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Aug. 28th.—Bankers here report a continued excellent demand for credits, with both city and country figuring in the list of borrowers. Rates hold firm on all classes of loans, and there is little difficulty for bankers to place their available funds, being at the same time able to pick and choose to some extent, which happy state of affairs has not been present for a long while. Shipments of currency during the week were heavy, and are steadily increasing. The volume of shipments to the extreme Southwest were heaviest, the Houston territory taking a goodly quantity. The outlook for fall trade continues to brighten, and sales since the first of this month are way over those of the corresponding period a year ago, or, in fact, for a decade or more. Leading wholesale concerns report great droves of buyers, the majority of whom have large orders to place. So far as crops are concerned, the issue is past doubt, and basing their purchases on prospects, the country merchants are likely to fill the holes which have been opening during the past few seasons of business depression. A large percentage of these buyers are generally in the market before this, but this year they have been disposed to wait until such a time as would enable them to foretell with reasonable certainty the outcome of crops in their several territories. That prospects are fine is evident from the character of their buying. Deposits are holding up reasonably well, in fact better than anticipated. Discount rates range in the extremes between 5 and 6 per cent, with most of the accommodations being granted toward the major figure of the range.

Distinguished Representation

The Third National of St. Louis will have the distinction of being represented at the Detroit convention of the American Bankers Association by an ex-president and a reigning head of that organization. Charles H. Huttig, who is slated to head the association, is president of the Third National. He will be at Detroit representing his institution, and incidentally attending to a few affairs connected with the association at large. F. O. Watts, vice-president of the Third National, who was formerly president of the American Bankers Association, will also be on hand early, representing his bank. In addition to these two gentlemen, high in the councils of the national body, the Third National will send Richard Hawes, who is in direct line of succession for presidency of the Missouri Bankers Association, as he is now secretary of the latter organization. Representation by this triumvirate would be a fair distinction for a metropolis, much less a single national.

Huge Crops Are in the Land

On all sides one hears talk of huge crops. The extensive plans for their movement and financing is the chief topic of conversation among financiers, railroad men and the business community generally, and incidentally this talk is like so much sweet music to bankers and others interested in prosperity. Advices from the entire territory tributary to St. Louis indicate that greater facilities will be required for the agricultural needs than ever before. Already fears are being entertained of car shortages and lack of storage room. For example, an Oklahoma banker, who was in St. Louis on business this week, delivered himself as follows: "In Oklahoma the question now is not one of production, but of storage. A month ago we were wondering if Oklahoma was going to produce a good harvest of autumn crops. To-day we know that production is in immense quantity; this fact is assured. What is worrying farmers is whether or not they are going to find storage for such bumper yields. The crop of feedstuff will fill every silo, corn crib and hay shed in the state, and then some. Many farmers will feel the pinch of lack of preparedness to care for their feedstuff, which will be several times the volume produced last year. Many farmers are utilizing the short period between the end of cultivation season and the beginning of harvest to erect additional storage. Oklahoma will not have to pay Illinois and Iowa \$20,000,000 for feed another year."

Fruit Yields Tax Facilities

According to representatives of refrigerating lines operating in Texas the production of peaches in that state will be ten times as large this year as in 1911. Conservatively estimated the crop is placed at 8,000 cars, or 3,200,000 bushels. The movement of the Texas melon and fruit crop thus far this season has taxed the railroads to their utmost, and all the big systems in that state have

materially increased their equipment for coping with the situation. Similar conditions exist elsewhere in the Southwest. Indications right now point to a record apple crop in Missouri and Arkansas, that is in the Ozark regions of those two commonwealths, and the peach yield and output of plums and other fruits will far surpass that of 1911. The same is true of roots and vegetables generally. An expert in that special branch states that the cucumber crop in southwest Missouri and Arkansas this year would be large enough to feed pickles to the United States and Europe for the entire season. The Colorado-Utah fruit crop of 1912 will be at least twice as large as a year ago. It is estimated that on the lines of the Denver and Rio Grande and Western Colorado railroads alone there will be between 9,000 and 10,000 cars of fruit.

Tax on St. Louis Exchange

A press dispatch from Philadelphia states that every check, note and draft dated "St. Louis," which may hereafter be deposited in any trust company of the Quaker City will be taxed 3 per cent of its face, plus three days' interest at 6 per cent for collection. The step, according to the dispatch, has been made necessary by the rigid enforcement of a new clearing house rule. To offset this arbitrary tax the trust companies, not members of the clearing house, resorted to two expedients. The first was to charge all deposits a minimum of \$1 a month for carrying each account; the second, to pay no interest to depositors on average balances under \$500. Now it is proposed to open reciprocal accounts at all strategic points in the United States, St. Louis included, and to forward all available checks direct to such trust companies for collection, with resulting saving to both companies, if not immediate benefit to individual depositors concerned.

Tower for Commonwealth Building

As part of the nearly completed plans for the new Commonwealth Trust building, at Broadway and Olive Street, is a fourteen-story tower. The building proper will be eighteen stories, and with the tower addition, the structure will be the highest west of New York. Wrecking of the old building is about complete, and work on the new foundation will begin in September.

Banking Resources Enormous

The statement of John E. Swanger, bank commissioner of Missouri, which has been just issued, shows marked prosperity in the state, in so far as banking figures can be taken as a barometer. It is based on the call issued on June 14th. At the time of the call there were

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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Pres. New York State Rys.
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Hayden W. Wheeler & Co.
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Vice-Pres. & Treas.
L. Candee Rubber Co.
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Pres. Standard Steel Car Co.
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Cleveland, Ohio
GEORGE M. HARD
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FRANK J. HEANEY
Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President

Capital and Surplus
\$3,000,000

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AND
PHENIX
NATIONAL
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New York

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Norwich, Conn.
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Vice-Pres. First Nat'l Bank
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Pres. Goodyear Rubber Co.
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LOUIS G. KAUFMAN, President

FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President

RICHARD H. HIGGINS, Vice-President
ALFRED M. BULL, Vice-President

BERT L. HASKINS, Cashier

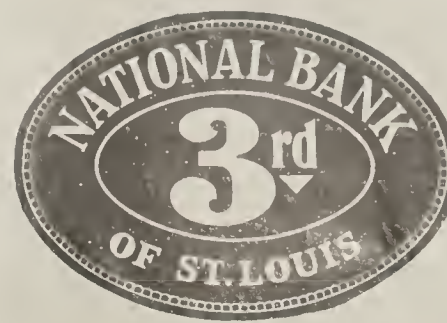
HENRY L. CADMUS, Assistant Cashier
WALTER B. BOICE, Assistant Cashier

NORBORNE P. GATLING, Assistant Cashier
HENRY C. HOOLEY, Assistant Cashier

GEORGE M. HARD, Chairman

We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars



Capital
\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

Officers

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F. O. WATTS, Vice-Pres.

J. R. COOKE, Cashier

T. WRIGHT, Vice-Pres.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Vice-Pres.

H. HALL, Asst. Cash.

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E. C. STUART, Asst. Cash.

R. R. Donnelley & Sons Company



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BINDERS
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Corner Plymouth Place and Polk Street

CHICAGO

1,364 financial institutions in the state, of which thirty-one were private banks, 1,147 incorporated banks, fifty-two trust companies and 134 national banks, with resources aggregating \$831,137,492. When the individual deposits, time certificates, demand certificates, cashiers' checks and savings deposits were added it was found that there was held in the banks and trust companies \$449,593,973 subject to call by depositors, which is equal to \$136.51 per capita for the population of the state. These figures do not include the money on deposit in postal savings banks, and incidentally the report demonstrates that the federal savings banks have in no wise injured the banking business in the state, as the per capita of savings deposits is larger than a year ago. The gain in savings deposits is about 17 per cent over the figures shown last September, when the wheat money was in. During the same period reserves held by banks increased on an average of 1 per cent.

Railways Earnings Decrease

A statement of the earnings of the United Railways Company, which controls all the surface lines of St. Louis, for the first seven months of 1912 shows a decrease of \$65,551 in net as compared with the corresponding period a year ago. The report gives gross earnings of \$6,988,825, representing an increase of \$146,827 over last year, but the operating expenses and taxes were \$4,877,062, which represents an increase of \$212,378. The net earnings for the seven months totaled \$2,111,763, which with \$34,916 additional from other sources makes the total income \$2,146,679, from which is taken interest charges aggregating \$1,578,000, leaving a surplus for seven months of \$568,671, a decrease of \$29,877.

IMPROVED STYLE CHECK JOURNAL

The Germania National of Milwaukee is using a style of check journal which they consider an improvement over the check journals heretofore used. It shows a total of each individual account, the aim of which is to save time and space in posting—it is necessary to post only the totals of accounts.

The check journal is designed for use with a special adding machine. The Germania National uses a machine with two sets of adding wheels which act independently of each other, like two distinct machines under one keyboard. One set of adding wheels accumulates the totals added on the other set, or if desired, the machine can be used for two separate kinds of figures at the same time, getting separate totals.

Here is how they use the new check journal: The checks first are sorted into individual accounts, and a journal sheet of five or six columns is inserted in the paper carriage of the machine just like a sheet in a typewriter carriage. The items of the first account then are listed consecutively on the first set of adding wheels, and a total of the account is taken. The machine prints the total and at the same time automatically transfers it to the other set of adding wheels to be accumulated into the grand total of all checks for the day. The checks of the next account then are listed on the first set of adding wheels, a total

printed and transferred as before. Where an account has but a single check, it is not necessary to list it in the usual way. Instead of this, it is listed directly on the second set of adding wheels, the machine printing a sign after it to designate it as an item to be posted.

As stated above, the special advantage of this style of check journal is that it saves time and space in posting. For instance, if there were fifty checks under one account it would be necessary to post only one item—the total. The check journal furnishes the detail.

The Germania Bank does not enter the names of customers on the check journal, but any bank that wants to do so, can, of course, use a little different form and fill in the names. Account numbers can also be filled in opposite the first item in each account on journal sheets like the one used by the Germania National, if desired. This makes it easy to find any item in the check journal. After all the items have been posted from the journal sheets, the sheets are filed in loose leaf binders and are always accessible for ready reference.

NEW STATE BANK FOR CHICAGO

A new Chicago bank, which will be known as the West Town State Bank of Chicago, now is in process of organization. The new institution will be located at Western Avenue and West Madison Street. It is not expected that it will be open for business until the first of next year. The capital stock will be \$200,000, and the incorporators are Scott Ransom, William S. Kline and S. E. Thomason.

James H. Cage, banker and ranchman of Stephenville, Texas, died suddenly last week at his home. He left an estate worth \$400,000.

American National Bank

Louisville, Ky.

Capital and Surplus, \$1,000,000

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CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

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Editorial Comment

PRESIDENT TAFT AND THE TRUSTS

When Col. Roosevelt so loudly proclaims President Taft to be the champion of the trusts, it might be advisable for him to give a little attention to a few statistics relating to monopolistic prosecutions. As a matter of fact, President Taft has instituted four more prosecutions under the Sherman anti-trust law than were brought in the combined administrations of the four presidents preceding him. And in addition to this, he instituted proceedings against the steel trust and the harvester trust, two of the combines which Roosevelt refused to prosecute. The bull moose started only forty-four trust prosecutions, while President Taft already has brought sixty-six and he has been in office only half as long, so that as a matter of fact Mr. Taft has been three times as zealous in the matter of fighting unlawful combinations than was Mr. Roosevelt. The above is but further evidence of the absolute lack of consistency manifested by the ex-president in his attacks upon Mr. Taft. He asserts that the president is the friend of special privilege simply because he has endeavored to prevent Col. Roosevelt from acting like a little boy and taking his third piece of pie. If President Taft were willing to let the Colonel foist himself upon the people again, there is no doubt but that Roosevelt could reverse himself and point out the beauties of the Taft administration and its sedulous and fostering care of "my policies" (formerly Bryan's) and promises.

VINDICATION FOR SECRETARY WILSON

All the army of banker-farmers engaged in the agricultural and education uplift will be "glad to know," as the form-letter expert puts it, that Secretary Wilson has been completely vindicated (not whitewashed) by full investigation of the Florida Everglades charges. Those who have followed his distinguished career are not surprised at the outcome. No wrongdoing attaches to the acts of the secretary nor to those of any subordinate. The charges failed completely. In the more than 15 years that Secretary Wilson has presided over the department of agriculture and its affairs he and his assistants have rendered most praiseworthy service to the people of the United States, and if there is one single department of the government which has shown itself to be in the very van of progress, which has year after year of that period shown actual results of profit to the nation through its work, it is the department of agriculture.

We are informed by Messrs. Harris and Chapman, who have given much time to the subjects covered by the department, that there is no section or state of the Union but bears witness to the efficiency of the department in promoting the interests committed

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

to its care, and much of the progress made through the various state and local associations engaged in diffusing agricultural information and encouraging to advanced methods of cultivation has been owing to the active cooperation of the national officials. Wilson has decided to retire on March 5th, next year, and he will carry with him the good will of the people of the United States and the confidence of all those who know him. It was fitting that the most bountiful of all the years of agricultural production in the United States should be the one to close his official term, bearing testimony, as it were, to the excellence of the work he has done for the interests of the planters, farmers and all other cultivators in the republic. What a "card" he will be for the next agricultural conference at Kansas City—and at any state convention which has a foresighted secretary who can get him. He is genuinely interested but heretofore has lacked the time.

COLONEL ROOSEVELT AND THE STANDARD OIL COMPANY

Mr. Roosevelt appears to be quite indignant at the insinuation that the Standard Oil Company contributed \$125,000 to his campaign fund in 1904, which, it is alleged, was quite acceptable to him, and that a further donation of \$150,000 was solicited. He answers this grave accusation by producing copies of letters and telegrams which he says he sent to Mr. Cortelyou requesting that if such a contribution had been received, it be returned and no further money taken. This is a flat contradiction of the testimony of Mr. Archbold before the senate committee and of the statement of Senator Penrose. The Colonel even has gone so far as to say that he does not deny

that the money was paid, but that if it was, it was received contrary to his explicit instructions. When Mr. Cortelyou testified recently before the committee on elections, he stated that he had not heard of any contribution by the Standard Oil to Roosevelt's 1904 campaign. The ex-president evidently deemed the matter of vital importance, for he states that he wrote two letters and then sent a telegram requesting the return of the money, and that he was informed that it had been returned. One cannot help wondering why Mr. Cortelyou never heard of any such contribution; in fact, he stated positively that nothing had been received. If Mr. Roosevelt really sent the letters and telegram, why was that fact not brought out in the testimony of Mr. Cortelyou? It certainly could not have hurt the Colonel any, and would have redounded to his credit. But the public hears nothing about them until it actually is proved by the sworn testimony of the man who paid over the money and took a receipt for it, that such a donation was made. And, further, Mr. Archbold states that the money never was returned, but that an additional amount of \$150,000 was requested. He says the money was paid over in the middle of September; the alleged letters and telegram were said to be dated the latter part of October. The intervening six weeks constitute the period of greatest expenditure in a national campaign, and it is quite likely that the \$100,000 would not last more than a week. Very little wonder, then, that the money was not returned. If the alleged letters and telegram really had been written and sent, the Colonel by making them public would have been possessed of a campaign weapon far more effective than the \$100,000, which lasted only a week. It would have enabled him to prove his oft-repeated assertion that the monopolistic corporations endeavor by their predatory wealth to buy men running for office, in order to secure legislation which will enable them further to rob the people. Nevertheless, this astute politician allowed such a golden opportunity to slip by without taking advantage of it. Mr. Archbold has stated that the Standard Oil felt disposed to make the gift because they believed that their interests would be protected much better by the election of Mr. Roosevelt than the other candidates. We wonder what there was in the Colonel's previous record that impelled them to arrive at this decision. Probably it was the half-hearted methods exhibited by him in the matter of trust prosecutions during his first term. When asked if he would be willing to appear before the senate and give his version of the affair, the Colonel petulantly said that the question was absurd; that he already had answered the charge by reading copies of his own communications, of which Mr. Cortelyou does not seem to have had any recollection. He now professes to be greatly disappointed

Convention Dates

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

It is especially desirable, owing to the unprecedented volume of grain business in prospect, that those having no facilities for direct service in Minneapolis should arrange a connection at once. This bank has an unexcelled system for the prompt presentation and collection of grain drafts and other bill of lading paper and invites correspondence with those desiring the best of service.

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that he will not be permitted to explain to the senate immediately. Time and reflection evidently have been instrumental in causing him to believe that perhaps the question was not so absurd as he thought. His answer to the propounder of such an obviously pertinent query is but further evidence of the vague manner in which he answers all questions having a tendency to injure him to the slightest extent. Mr. Archbold now is a full-fledged member of the Annanias Club; why? Simply because under oath he apparently has told "the whole truth and nothing but the truth," and his veracity has caused Mr. Roosevelt to be discredited in the eyes of the people, whose humble servant he professes to be. It does seem a little ungrateful that the Standard Oil Company should be persecuted so mercilessly during the period which followed; but then, when one takes into consideration the fact that Mr. Roosevelt secured \$260,000 from Harri-man and later on called him an "undesirable citizen," and remembers the manifoldly inconsistent attitude displayed by the "Bull Moose" in all matters pertaining to public affairs, the astonishment soon ceases to exist. The public will be interested in learning just what kind of a defense the Colonel will bring forth when he makes his explanation.

Golf Finals

On Saturday, September 7th, the day the most of the out-of-town bankers will assemble in Chicago to take the "Big Detroit Special" on Sunday morning, will occur the finals in the U. S. golf amateur championship at Wheaton. Probably the finals will have an international aspect for the present champion, Harold H. Hilton and Norman L. Hunter are here from England. Many expect Hilton for England and Evans for America to be the finalists.

Out-of-town bankers can get in on the ground floor through Ralph Van Vechten, vice-president of the Continental and Commercial National, Chicago, who is treasurer and director of the Wheaton Golf Club where the match is to be played. Call in or write and he will fix you up.

The First State Bank of Duncan, Okla., has nationalized under the name of the First National Bank of Duncan with the following officers: president, G. H. Connell; vice-president, Frank Jones; cashier, J. R. Prentice.

A. B. A. Program

When the general program for the Detroit convention was printed in these columns two weeks ago the speakers for the two A. B. A. sessions proper had not been decided upon. The first day's session will occur on Tuesday, September 10th at 10:00 A. M., when addresses of welcome will be delivered by Governor Chas. S. Osborn, Mayor W. B. Thompson of Detroit, President George H. Russell of the Detroit clearing house and President Homer Warren of the Detroit board of commerce. To these formidable addresses of welcome response will be made for the delegates by Robert J. Lowry of Atlanta. That Col. Lowry can handle the situation adequately will not be doubted by the members of the American Bankers Association. Following Col. Lowry will come the annual address of the president, delivered by William Livingstone of Detroit. General Secretary Farnsworth then will report, as will Treasurer J. Fletcher Farrell of Chicago. Chairman Arthur Reynolds will report for the executive council, and at twelve o'clock sharp, an address on banking and currency reform is scheduled by the Hon. Robert W. Bonyne of Denver. He is a member of the national monetary commission, and has been making a speaking campaign for the National Citizens League urging the adoption of the bill prepared by the national monetary commission. At the afternoon session Tuesday the various sections will report, including those of the trust company, savings bank, clearing house, American Institute of Banking and state secretaries, to be followed by action upon the various amendments to the constitution, reported out from the executive council by Chairman Arthur Reynolds.

At three o'clock sharp, there will be an address by United States Senator Townsend of Michigan, who has been substituted quite recently for Senator William Alden Smith, who will not be able to be present. Following Senator Townsend will come reports of the law committee by Pierre Jay; of the bills of lading committee by Clay H. Hollister; express companies and money orders by Thornton Cook; insurance by Robert E. James of Pennsylvania, and other routine matters.

The second regular session of the A. B. A. proper will occur on Friday morning at ten o'clock. This will be the agricultural or farmers' day of the convention. Charles A. Conant of New York will speak on "Land and Agricultural Credits," and President Andrew M. Soule of the Georgia state agricultural college also will be one of the orators. The third and principal number on this program will be a report from the agricultural and financial development committee made by Chairman Joseph Chapman of Minneapolis. There will be a discussion and action on these reports.

The afternoon session on Friday will be taken up by a report of the currency commission of which A. B. Hepburn of New York is the chairman, and of the federal legislative committee of which E. R. Gurney of Nebraska is chairman. These reports will be followed by unofficial and routine business, by the adoption of resolutions, by the report of the committee on nominations, and the election installation of officers.

Indiana

That there is an "epidemic" of forgery in Indiana was the conclusion reached by Frank D. Stalnaker, president of the Indiana National Bank, after a couple of rural banks called the Indiana National and told of false checks having been presented them for payment. There is seldom a day, Mr. Stalnaker states, that some bank does not call by long distance telephone to report a case of forgery, or to inquire if some person has sufficient funds on deposit here to pay checks he has circulated. "It seems to be in the air," said Mr. Stalnaker, "and I have never heard of as many cases in Indiana since I became a banker. Forgery appears to have a vogue for several weeks every few years. It usually begins by some small bank, or large one for that matter, receiving a check over which some question develops, and in most instances it is discovered that the check bears a forged signature, or is presented by some man against a distant bank where he has no deposits."

Bank clearings in Spokane for the week ended Thursday, August 22d, were \$4,110,702.



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Henry W. Yates on Separate Reserve Associations

The opportunity has not heretofore been given me of expressing to you in an address my objections to the banking and currency plan now pending in congress, known as the "Aldrich Bill."

Inasmuch, however, as I have published these views in pamphlet form, to which some considerable circulation has been given, I will not undertake to repeat them on this occasion, except to the extent of emphasizing those particular points which in my opinion utterly condemn the measure as it is now presented and render its adoption improbable.

In the position I have taken upon this subject, which is so much at variance with that of numerous prominent bankers, I think you cannot but see that I have been impelled by no personal motives whatever; I have not even had a pet plan of my own which would be set aside by the adoption of this plan. In fact, the only criticism to which I have been exposed is that of pulling down without offering some substitute to meet the admitted defects in our banking system. I have been actuated solely by a sense of public duty connected with questions with which I have had a lifetime familiarity and from sympathy for our independent banking system with which I have been engaged for a period lacking now only one year of being a half century.

Two Diverging Lines

As a student of these subjects I could not fail to have noticed that from the foundation of our republic there have existed, both in finance and in general politics, two widely diverging theories. One has leaned strongly toward a powerful central authority, the other has advocated the largest individual liberty along all business lines consistent with the public welfare. For a brief period in our history the centralized theory of banking was given its opportunity, but its errors and weaknesses were soon developed. The acts and operations of the United States Bank did not commend it to the public opinion of that day. It was drawn into politics, as all such creations must inevitably be, and after one of the most exciting political campaigns this country has ever known, in which it was a vital issue, it was utterly repudiated and has had no advocates since until in recent years our so-called money reformers have endeavored to resuscitate it under various "noms de plume."

Independent System

On the other hand the independent system of banking has never been so strikingly demonstrated and advanced as during the past fifty years—a period during which, notwithstanding the Civil War and two destructive panics, our country has grown in power and importance among the nations of the world, financially and otherwise, to a degree never dreamed of by our early statesmen who founded our government.

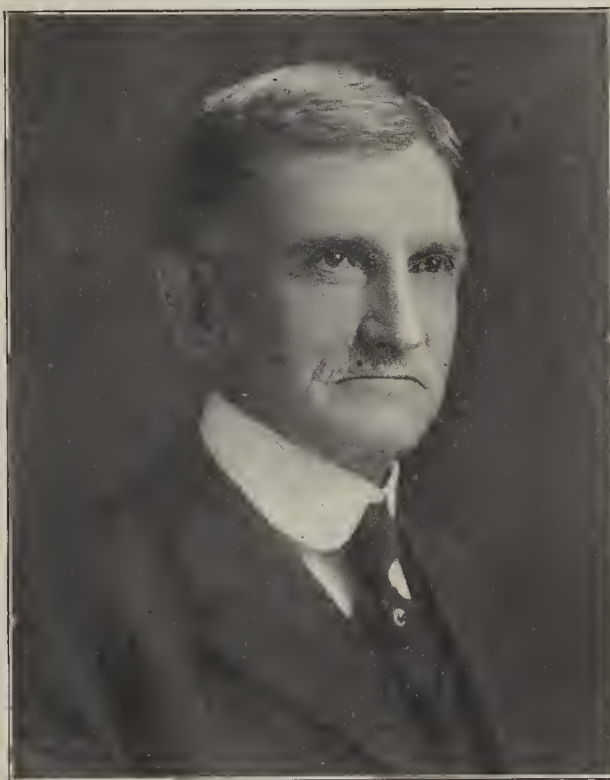
Believing that this independent system of banking has borne no small part in this magnificent national upbuilding—that it has accomplished all and more than any other system could have done—that the two systems cannot exist together—it is natural that I should oppose with all my power a proposition which would eventually destroy this independent system and erect in its place the autocratic continental system of Europe.

If this part of the question could be fairly discussed and not be cloaked as it is by misstatements and indirection which conceal and

The Dean of the Nebraska financiers urges a plan of monetary legislation which in reality is a substitute for that proposed by the National Monetary Commission

confuse it, the claims in favor of the new system could easily be refuted. But it is not met in this manner. On the contrary it is claimed that the new system will in no manner interfere with the old, but at the same time it will be noticed that the orators favoring the new system do not cease to declare on every occasion that we have the "worst banking system in the world."

We will concede that this system has some



HENRY W. YATES
Omaha, Nebraska
President Nebraska National Bank

defects; that its career and growth have been irregular and unsystematic. But what it is has been gained from actual experience and almost perfect adaptation to the conditions under which it has existed. The living organism is now in evidence, and whatever is done in the way of reform should be in the direction of improving and strengthening this system, not in destroying it.

Far stronger arguments than any which have been advanced should be demanded before the first step is taken to effect the revolution which would be involved by the disappearance of our independent banks.

The Currency

The change proposed in our currency system should also be resisted.

Ever since the decline and fall of the old state bank currency this country has had for its currency only gold and silver with such paper money as the government itself has put out or has authorized for its own benefit and advantage.

So far as our national bank currency is concerned, it may all be retired without any loss to the banks if their bonds are provided for. The profit derived from the issue of the notes

is so insignificant as scarcely to deserve consideration.

But if any currency is to be issued for the benefit of the government, it is far better that it should be done through banks in this manner with the responsibility upon them of current redemption, rather than that it should be issued in the form of notes direct from the treasury. It will be conceded, however, that the volume of national bank notes ought to be limited to some definite sum.

The Aldrich Plan would do away absolutely with the national bank notes, through whose means the government has always obtained a low market for its bonds and at the same time has derived no inconsiderable revenue from the tax imposed upon them. It would substitute for them the untaxed and unsecured "promises to pay" of the corporation it proposes to create with no resulting advantage whatever to the government.

Public Credit Lowered

To effect the disposition of the United States bonds held by the national banks, it is proposed to re-fund the 2 per cent bonds into bonds carrying 3 per cent. This places the government for all future loans it may need in the market of the world like any other borrower, and thus at the outset depreciates and discredits its financial standing.

Approved by Banks

Many bankers' conventions, this association among the number, have voted their formal approval of the Aldrich Plan, and so far as public utterances have gone, it would seem that the banking fraternity is a unit in its favor.

In the speeches of its promoters the plan is made very alluring to bankers. You are told when your demands for money exhaust your loanable supply, all that you will have to do will be to exchange your bank paper for the notes of the Reserve Bank, and perpetual motion is at once secured.

But you may examine the measure closely for yourselves or call in the assistance of some of these promoters, and nowhere can it be shown that the ordinary paper you take in the course of business can be used either at the bank itself or at any of its branches. The only suggestion I have heard ventured is that if you do not have the prescribed paper yourselves, your city correspondent will have it, and the privilege is given you of "doing business at the old stand."

The reserves of the entire country concentrated in one single institution will amount to a vast sum, and when this fund is doubled, as it may be under this proposed law by the issue of bank notes, and this added to the money on hand, the figures produced are so immense that they will stagger the ordinary mind to comprehend them.

It is quite natural that the ordinary banker should conclude that in some way a part of this vast hoard will reach him, and perhaps it would.

The Public Opposed

But granting that bankers may see something in the scheme, which will work to their advantage, and therefore favor its adoption, it does not follow that the public will look at it in the same way. The concentration of this vast fund with the power it would carry with it in a single corporation, operated it may be by a very few individuals, would bode no

(Continued on page 23)

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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

When James T. Bradley, cashier of the Southwest National Bank of Commerce, Kansas City, was asked to give THE CHICAGO BANKER an expression on banking and general business conditions in the Central West, he beamed with delight. "Things simply couldn't be better," said Mr. Bradley. "This is the best year this part of the country has ever known. The value of the crops this year is at least 15 per cent greater than at any former time. This estimate applies to the territory within a radius of 150 miles of Kansas City. These crops are made, and we are beginning to realize on them. Naturally the banks will enjoy unprecedented prosperity and the reviving effect of the farmers' prosperity will be felt in all lines of business. It will be a great year for the Central West." The Southwest National Bank of Commerce is in splendid condition to handle the vast volume of business which will come to it this fall and the recent consolidation was effected so smoothly that it is almost a forgotten incident in Kansas City.

May Establish Branches in Omaha

There has been considerable comment among Omaha bankers recently because of rumors that several Philadelphia trust companies contemplated opening accounts in Omaha or establishing branches there, in order to avoid the payment of exchange on Nebraska checks handled in Philadelphia. Philadelphia has long been accepting western checks without charging exchange, while New York and other eastern cities have made a charge. When the checks cashed in Philadelphia were sent to Omaha for collection the Omaha banks have charged Philadelphia one tenth of one per cent on the face of the checks for collecting them. This meant a neat little bit of exchange money for the Omaha banks each month.

B. L. Gill May Resign

Persistent rumors have come from Austin within the past two weeks indicating that B. L. Gill, commissioner of insurance and banking for Texas, is to retire at the end of his present term. While Mr. Gill has not definitely made up his mind to leave the state's service his inclinations now would take him back to his private business. It is known that Governor Colquitt considers him one of the stars of his administration and will exert every effort to hold him. Commissioner Gill is perhaps the most competent commissioner of insurance and banking Texas has ever had. He has gradually brought on wonderful improvements in the state banking system. He has weeded out from it those whom he has considered unsafe bankers and he has observed a rigorous policy both with regard to banking

and insurance matters. Mr. Gill came to Austin from Terrell where he was in the banking business and it is known that he has remained with the Colquitt administration at heavy personal sacrifice. Before leaving the banking department Mr. Gill will make several recommendations, among them the establishment of civil service for that department; the employment of a special lawyer to attend to the business of the department and increasing the commissioner's salary to \$5,000 a year. Texas has 725 state banks and ranks fourth in the number of institutions under its banking system, Iowa, Illinois and Kansas alone having more state banks than Texas.

Missouri Banker Dead

John R. Cogswell, vice-president and assistant cashier of the Christman-Sawyer Banking Company of Independence, Mo., died last week in a Kansas City hospital where he went to undergo an operation. For some time Mr. Cogswell had been in poor health which kept him from his duties at the bank. Mr. Cogswell's uncle, I. N. Rogers, who died recently, was cashier of the bank and Mr. Cogswell returned from an extended vacation to attend the funeral. It was several days after the funeral that Mr. Cogswell was taken to the hospital and the operation was performed. He was born in Independence 47 years ago and for twenty-seven years was connected with the Christman-Sawyer Bank, having entered that institution as a bookkeeper when he was twenty years of age.

John A. Flack Arrested in New York

After two years spent as a fugitive from justice, dodging continually from one position to another to escape detection, John A. Flack, former cashier of the Abilene State Bank of Abilene, Kan., was arrested in New York last week by detectives employed by the Kansas banking department. The charge against Flack is that of forgery and theft of the bank's money. Flack admitted his identity and will be brought back to Kansas for trial. The shortage, he admits, is more than \$75,000. Flack had lived in Abilene for many years. He was elected probate judge for two terms and upon his retirement he was appointed cashier of the Abilene State Bank. During the five years he held that position he enjoyed the complete confidence of all the community which his bank served. He was treasurer of nearly every public organization and handled the funds of nearly every public, benevolent and charitable enterprise. It was a great shock to the citizens of Abilene on September 6, 1910, when the bank failed to open after the Labor Day holiday. A notice on the door of the bank, signed by a deputy state bank commissioner, told the citizens of

Abilene the almost incredible story that "shortages have been found, caused by the delinquencies of John A. Flack, late cashier." Flack had left town and eluded officers sent after him until last week. His handsome home and real and personal property were sold and reduced the deficit to about \$30,000. Less than one week after the bank's shortage was discovered, I. S. Hallam, president of the bank, collapsed and a day later died, his nerves being unable to withstand the shock following the bank's shortage.

Central West Notes

J. W. Perry, president of the Southwest National Bank of Commerce of Kansas City, has returned from his vacation spent in the East. F. P. Neal, chairman, is now on his vacation and is not expected at the bank for several weeks.

Announcement is made of the consolidation of the Sturgis National and the Citizens National of Hillsboro, Texas. The consolidated institution takes the name of the Citizens National and starts with a capital of \$250,000. The officers are: president, George Carmichael; vice-president, George L. Porter; cashier, R. C. West.

New banks have been authorized by the Texas banking department as follows: Guaranty State Bank of Kirven, capitalized at \$10,000; First State Bank of Newsome, with a capital stock of \$12,500; Planters State Bank of Harlingen, with a capital stock of \$10,000; The Farmers and Merchants State Bank of Kenedy with a capital stock of \$30,000; Sandia State Bank of Sandia with a capital stock of \$10,000.

William T. Potts, teller in the First National of Omaha, was married last week to Miss Edith L. Usher of that city.

MISSOURI GROUP MEETING DATES

Correct dates for the Missouri Bankers Association group meetings have just been sent out by Secretary W. F. Keyser. Group 4, with headquarters at Kansas City, will hold the first meeting of the series on October 15th; Group 3 will meet at St. Joseph on October 16th; Groups 1 and 6 will hold a joint meeting at Hannibal, October 17th; Group 2 will meet at Brookfield, October 18th; Group 8 at Jefferson City, October 22d; Group 5 at Lexington, October 23d; Group 9 at El Dorado Springs, October 24th; Group 11 at Springfield, October 29th; Group 10 at Neosho, October 30th. Group 12 will hold the last meeting of the series at Charleston, November 8th. The state convention of the Missouri Bankers Association will be held May 20th and 21st, place not yet definitely determined.

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T. L. Matthews on Relation of Banker to Society

The banking business is not a trade, it is a profession, and no profession stands closer to the people and enjoys their confidence and respect in a higher degree than that of the country banker. I am aware of the fact that the banking business has at times been brought into disrepute and had contumely placed upon it, because men of low ideals and no conception of the true functions of banking have stolen the livery of respectability to cover disreputable business methods—men who have painted over their doors the word "Bank," when they should have hung on their lintels the historic three balls; and it is because I believe in the honest purpose, the high ideals and the patriotism of the banking fraternity and their capacity to do things that I look to them for potential help in solving the financial and industrial problems that now confront us.

The thought in my mind is that the banker should be something more than a "money-grub." The record of his services to society is a long and honorable one and can hardly be overestimated. As long as society is founded on mutual service and benefits, measured in general in terms of wealth and current tokens, so long will the intervention of the financier and banker be necessary. Far from seeing any diminution in his importance, there are to-day more banks than ever, private, national and state, doing their work for good all over the world. And the bankers are powerful factors in one of the great departments of human activity, who must be endowed with energy and capacity, who must be widely trusted; who need not attain great wealth, except as a tool to carve the way to greater achievements; who must work prodigiously, and must live in the interests of the community that they may serve their age as did William Rocoë, who was noted not only as a banker but as an author and poet as well. And Irving says of him that "he interwove the history of his life with the history of his town and made the foundations of its fame monuments of his virtues. Wherever you go in Liverpool you perceive traces of his footsteps in all that is elegant and liberal."

In the first place the banker should be a good man; not negatively good, but possess a character made up of the positive virtues and with a mind broad enough to comprehend the relation of things and a realization of the fact that the man who lives for self, "the man who uses his fellows as a cluster to be squeezed into his own cup, who spoils the world for his own aggrandizement, will find at last that he has burglarized his own soul."

There are nobler successes than the accumulation of money. A man may be rich in material wealth and yet if he has not been a factor in human welfare and helped to bear his share of the burden of society his life spells—failure.

The banking business has so interwoven itself into the life of the world and its ramifications are so diffused and it has so correlated itself to all human activity, that anything that affects the world of commerce, la-

Fremont financier tells Omaha convention banking is a profession and not a trade. Urges higher ideals and sees evil in powerful combines, huge individual fortunes and the alleged "money-power"

bor or the general weal, affects the banker. Hence the banker should be quick to read the signs of the times and quick to help put in motion those forces and influences that will make for the maintenance of healthy conditions and the welfare of all the people.

We would not frame an indictment finding all rich men criminals! We do not say that the accumulation of wealth is a crime, for it would in no wise be true. We are voicing an objection to the maladministration of massed wealth and calling attention to a few danger signals. It is not a question of the moral impeccability of the individual; it is a question of the relation of wealth to the mass.

There are thousands of men in the world to-day who have great wealth, but who in spite of that fact are accorded a place in the front rank of Nature's noblemen. They have come up from the ranks; they have not forgotten how steep was the way, how lowering the clouds; and they always remember that others with like ambitions, hopes and aspirations are struggling up the same heights; and their handclasps and pocketbooks are the ready messengers of their hearts to help their fellows. They take no stock in Andrew Carnegie's cold-blooded doctrine of "The Survival of the Fittest," as applied to human condi-

tions, but get their inspiration from that peerless One, whose mission on earth it was to reveal the "Fatherhood of God and the Brotherhood of Man," teaching by precept and example that:

"The human race is one great fraternity, Heaven forming each on other to depend, A master or a servant or a friend, May each on other for assistant call, And one man's weakness be the strength of all."

Whatever there is in the world that is beautiful, whatever there is in the world of joy and gladness, whatever there is in the world of music and song, of love and loyalty; all is for man—not for a few men, but for all; not in equal measure, to be sure, but in possibility of attainment, equality of opportunity and certainty of a fair distribution according to merit and capacity.

Banking as a business is founded on credit. You cannot have credit without confidence and you cannot have confidence without honor. You cannot inculcate honesty by conferring, or permitting to be conferred, honor's reward upon those who hold to the maxim the old man gave to his son, "Make money honestly if you can, but make it," or to David Harum's interpretation of the Golden Rule, "Do unto others as you would have others do unto you, but do the other fellow first."

The preservation of business confidence, the credit system, and public morals, depends in no small measure upon the active participation of the banking fraternity in the propagation of high moral standards.

Bankers should be men of affairs in the sense of being "live wires" and up-to-date thinkers, giving the strength of their best effort, mental, moral and financial, to the up-building of the towns and the communities in which they do business and in the wider sphere of the general weal.

Did you ever stand at the head-gate of a great irrigation system as the waters were turned on, and follow the silver stream through the canals, the ditches and the many-fingered laterals, carrying life and sustenance wherever its throbbing currents touched?

Gentlemen, your hands are on the head-gates of the financial reservoirs. It's your province to turn on the golden streams that carry life and sustenance to the thirsty fields of business enterprise and all industrial effort. The obligation is upon you to ride the ditches and see that the stream goes only to those fields where honest effort has planted and good faith should reap, and not be worse than wasted on the bog lands of speculative delusion, where the ignis fatuus of "get rich quick" schemes lures fools to ruin. And on you, bankers of Nebraska, rests the obligation, in a large measure, to keep business standards high, to the end that this splendid state of ours, that seems to have had placed upon it the seal of God's special favor, shall be

(Continued on page 29)

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Otto E. Naegele, vice-president of the Metropolitan National, has been reminded the last few days of the time, when he was four years old, the Indians got after him, and he escaped by fleeing with his mother and two sisters. The family lived at New Ulm when the Indians "uprose" and, being fifty years ago, the New Ulmites have been celebrating. Mr. Naegele was one of the celebrants. Mr. Naegele has lived safely ever since that time, never an Indian getting his scalp. It was the first time and last that Mr. Naegele has fled. Once, several years later, bank robbers tried to "get" him.

New Bank at Warroad

Security State Bank of Warroad, Minn., has filed articles of incorporation. The capital stock is \$15,000, and may be increased to \$50,000; highest indebtedness, \$200,000.

Predicts Increased Bank Deposits

Kelsey S. Chase, Minnesota bank examiner, predicts that deposits in the state banks will increase because of the fine crop to \$135,000,000 by December. "The fine crop returns are certain to be reflected in increased bank deposits," said Mr. Chase. "Last year in June the total deposits were \$110,000,000, and in December they had increased to \$117,000,000, a 6 per cent increase. The deposits last June were \$123,000,000, and with the good crop they should grow to \$135,000,000 by December."

Estate of Judge M. B. Koon

An estate estimated at \$1,000,000 was left by Judge M. B. Koon, first vice-president of the Northwestern National, half personal and half real property. Stock in the bank and trust company was part of the estate. The Minnesota Loan and Trust Company is sole executor.

Death of Joseph Chapman's Father

Joseph Chapman, vice-president of the Northwestern National, is no longer "Jr." Eighty-two years of age the father died at

2 A. M., August 27th, at Painesville, Ohio, where the funeral took place. Mr. Chapman was connected with the old Dubuque road as general freight agent, before the line was absorbed by the "Milwaukee" road. He was in charge of the twin city freight jobbers' bureau in Minneapolis from 1887 to 1890. He was grand master of the Masons in Iowa in 1872. Mr. Chapman was born in Pittsburgh. In Dubuque, prior to 1857, he was ticket agent for the Illinois Central, and was back of railroad building and passenger traffic development. For fifty years Mr. Chapman was connected with official boards of Methodist churches in Iowa, Minnesota and Ohio. Leaving Minneapolis for Painesville at an age when men ordinarily retire, Mr. Chapman took charge of the construction of the Baltimore and Ohio warehouses and grain elevators at Fairport, Ohio. A year ago he resigned after serving as manager following completion of the work. Besides Joseph Chapman and Edward T. Chapman, commercial paper, of Minneapolis, Charles W. and Oliver Chapman, sons, live at Waterloo, Iowa, and Edith Chapman, daughter, at Painesville.

Best Crop in its History

"South Dakota, has, I believe, the best crop in its history," said Louis Betz, treasurer of the St. Paul Savings Bank, after an inspection.

"The crop is enormous," continued Mr. Betz, "and I believe the government is conservative in its estimates. The harvesting is much further along than I anticipated. Nearly everything but corn is cut and stacked. A little dry weather to bring the corn out better is what is needed. Corn is going to be a bigger item in South Dakota than ever before."

Attend Mid-Summer Group Meeting

Attending the mid-summer meeting of the Northeastern district group of the North Dakota Bankers Association at Grand Forks, George F. Orde of the Minneapolis First National was shown wheat which had grown

twenty-five bushels to the acre. H. P. Newcomb, assistant cashier Northwestern National, attended the meeting and J. W. Wheeler of the Capital National made an address. Mr. Orde said: "The whole Grand Forks country looks splendid and all business men are looking for the biggest trade this fall for many years."

Conference Reports Soon Out

Twenty-five thousand copies of the report of the conference of the bankers' association committees on agricultural development and education in the Twin Cities, August 7-8, are to be sent broadcast soon. Copies will go to Europe, South America, Asia, Africa, Mexico and Canada. Secretaries of associations will attend to local distribution of the reports. The books will be furnished at cost of publication.

Open Information Bureau

The Northwestern National has opened an information bureau in its lobby in charge of Frank Merrill, formerly paying teller. Agricultural statistics and publications of the state immigration office and of county improvement organizations will be furnished at the desk. This is said to be second only to a similar facility bureau in a Los Angeles bank. Information of industries, trade opportunities, farming and climatic conditions, etc., in the Minneapolis trade territory will be on hand at all hours when the bank is open.

Another Optimist

N. F. Hawley, treasurer of the Farmers and Mechanics Savings Bank, after reading reports from the crop districts, is optimistic. "I expect business conditions to be unusually good this fall," said Mr. Hawley. "There is sure to be demand for Minnesota and Dakota lands, as eastern farmers are always on the lookout for lands in this part of the country, especially after a good harvest. Since the adoption of diversified farming and the growing tendency of the farmers of the Northwest to cut down the size of their farms, thereby

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making crop failures less of a calamity since the farmers are not depending on one crop, farmers from Illinois, Ohio and other states of the East are becoming more interested in the farming possibilities of the Northwest."

Northwest Notes

Louis Betz, treasurer of the St. Paul Savings Bank, and former city comptroller, has been appointed to handle the Wilson campaign fund in Minnesota by F. B. Lynch, democratic national committeeman.

Harry L. Martin, assistant cashier of the Farmers and Merchants National of Cannon Falls, Minn., has become cashier of the National Bank of Crosby, N. D.

The Citizens State of Minneapolis has been incorporated by F. A. Samels, Lakeville, Minn.; T. O. Gulick, N. D. Samels and Manley, Fosse, Minneapolis; C. B. Stringer, Osage, Iowa. Business is to begin December 1st on a site leased by F. A. Samels at Bloomington Avenue and Lake Street for 100 years.

Through Louis W. Hill, chairman of the Great Northern, Joseph Chapman, vice-president of the Northwestern National, has received from Crazy Bull, a Yankton Sioux Indian, samples of wheat, oats and flax raised by himself and Four Eagle Foot, Flying Shield and Charley War Club. The grain was raised on the Fort Peck reservation of 2,068,693 acres soon to be opened. The samples rival those stacked around the bank corridor which were harvested on white men's farms.

J. H. Keating, vice-president of the Lumbermens National, Portland, Ore., says in Minneapolis that his state will have a wheat crop estimated as high as 70,000,000 bushels. The lumber business is good and prices are higher. More lumber is being sold and the tonnage East has grown.

HENRY W. YATES ON SEPARATE RESERVE ASSOCIATIONS

(Continued from page 19)

good for the public welfare. This public may be willing to accept the leadership of bankers in some questions pertaining to their business, but when it comes to the great public questions of a central bank, authorized to hold all the bank reserves of the country and to issue unlimited, unsecured and untaxed notes to circulate as money under government prestige and authority, it will be found that an intelligent people will form conclusions of its own, and that the consensus of this opinion will be against the scheme.

This I think is already clearly indicated in the financial planks of the various party platforms.

The president was induced to give his support to the Aldrich Plan and urged its adoption vigorously in a special message. It would naturally be supposed that the party which nominated him would declare distinctly in its favor. The plank adopted by no means does this. It may be so intended, but if so it is a case of finding words in which to conceal meaning. All the other platforms distinctly

denounce it. I think it can be safely asserted that no currency or banking scheme which provides for a central bank and the issue of unsecured and untaxed bank notes has any possible chance of becoming a law.

Discussion of Service

But the discussion may prove of some service. It has been mainly one-sided; the pleadings have been really all from the promoters of the scheme, who by means of their strong financial backing have been able to make a thorough and able presentation of their claims.

As can be clearly seen these arguments have not succeeded in convincing the public; they have, however, attracted attention, which is of itself a great advantage. The time is ripe for some decisive action, and if the banks will join in asking for some law giving them the power to combine their reserves for mutual use, and the power to expand their credit in emergencies to a reasonable and safe extent, there can be no reason to doubt but what men of all parties will join in affording them the desired relief.

Panics

It is generally agreed that the main weakness in our banking system is its inability to withstand panics.

In the publications of the National Citizens League this is the club used to make the plan go. The Aldrich Bill is claimed to be a complete and permanent cure for panics. But due candor is not used in the impression sought to be made upon the public, as to the kind of panic which will be cured.

Mr. Yates then concluded with a strong array of facts and arguments in support of the foregoing, which was loudly applauded.

JOINT REPORT OF COMMITTEES ON AGRICULTURAL EDUCATION AND AGRICULTURAL DEVELOPMENT AT NEBRASKA CONVENTION

C. Hildreth, chairman of the committee on agricultural education, and C. F. McGrew, chairman of the committee on agricultural development, Nebraska Bankers Association, in their joint report made this week at Omaha traced the early history and development of the work done by Nebraska bankers looking to the promotion of agricultural interests in the state. The two committees above referred to are the result of this activity, and they now are working together in regard to agricultural education and development. Reference was made to the second annual agricultural conference recently held in St. Paul, and the belief expressed that it is imperative that the state of Nebraska take an active interest in this most important work; otherwise, it will find itself outstripped by the other state associations. Reference also was made to the extremely interesting sessions of the conference, and of the opportunity afforded the Nebraska bankers by Prof. H. R. Smith to inspect the Minnesota state farm. The difficulty with which the Nebraska association is confronted is the best manner in which to proceed. There appear to be about three courses open.

First, the association can work independent of all existent institutions and commissions and as bankers alone.

Second, the association can work in conjunction with the state farm, thus utilizing the methods and machinery of organization already well worked out.

Third, the association can call a conference of representatives of the leading and important business interests of the state, including representatives of the bankers association, and hand the question of what shall be done and how it shall be done, over to this conference. This conference, if it concludes to take up the work, can appoint its own committees of investigation and determine whether it will take up the work independent and with its own funds wholly, or work in connection with the state farm or other institutions and means as present organized, aiding these means with funds and influence.

In a general way the committees leaned to the third course and later in the report offered a resolution to that effect.

The banking business of the state of Nebraska depends upon the value of the farm products. It therefore is a good investment for a banker to devote time and energy in an effort to increase the value of farm products, as such activity will be reflected in increased profits to himself. Attention was called to the action of Minnesota bankers in raising a fund of \$44,000 in order to improve farming methods in North Dakota. The Minnesota bankers were interested in this for the reason that a large portion of their business is derived from North Dakota. A corporation has been formed in charge of which is a director at a salary of several thousand dollars a year,

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and under him are about twenty-five men with salaries ranging from \$1,500 to \$3,000 per year. It is believed that it will be worth the while of the bankers association and of the commercial associations of Nebraska to consider the question of actively aiding in the work of increasing crop yields in that state. Comment was made on the good work already done by the commercial clubs and business men of Omaha and Lincoln, and other cities and towns, and especially of the helpful work of the railroads in the matter of seed trains, testing of seed corn, etc. It was urged that this work receive the moral encouragement and active support of every man and every interest in the state. Much praise was bestowed upon the state farm of Nebraska for work done by it toward improving agricultural methods. Regret was expressed at the lack of funds with which to enable this work to be prosecuted more exhaustively. The method now being put into effect by the state farm is to carry the work directly to the farm through demonstrators who can cover considerable territory, but who still are in frequent and close touch with the individual farmer. Mention also was made of a visit to the Nebraska state farm, and the belief expressed that if the association decided to form a better farming organization the fullest co-operation would be enjoyed.

In conclusion the following recommendations and resolutions were offered:

"The need in this proposed work is in two or three directions:

First, to impress on the mind of every farmer and stock-grower in the state, so far as possible, the profit in the improved method. This can only be done by a wise and very extensive campaign of education, largely through the aid of the press. The bulletin and reports sent out by the state farm and by the government are exceedingly valuable and have done a great work, but by the nature of things must be more or less perfunctory and technical and can not too much enter into the argument of the case. The information in these bulletins and reports can be made the basis of the literary campaign, but the real work of bringing the methods home to the farmer, stock-grower and the home-keeper must be done in a large measure through the public press.

Second, the further need is funds with which to carry on this educational campaign and the real demonstrating work. If our association is to aid it either must work out a plan to raise funds by contribution or help secure greater state appropriations. Possibly this matter of funds could be divided into two parts: first that the funds for the educational campaign be contributed: second, that the legislatures be persuaded to appropriate funds sufficient to meet the demands over the state for the actual demonstrating work.

Certain it is that when the people of the state come to a realization of the necessity of these better methods if we are to have our greatest individual and community profits and prosperity, certain it is that then the public sentiment will warrant and compel the legislatures to make appropriations commensurate with the need and value of such appropriations.

There are in round numbers 7,000,000 acres of corn grown in Nebraska each year. If by improved methods the yield be increased one bushel per acre you have added between \$3,-

000,000 and \$4,000,000 in profits to the state. Could our state afford to tax itself \$100,000 if by it the state could get over three million dollars in return? If the yield could be increased three bushels per acre the gain to the state would be ten million dollars.

While the methods were being improved so we could raise one or three bushels of corn more to the acre, the yield of wheat and all the grains and products could and would be increased, our live stock could be improved and our homes made more comfortable, sanitary and happy, by the same outlay of expense; our boys and girls could be made more intelligent and our standard of citizenship made higher.

It would be a comparatively easy matter to increase the annual profits to the farmers of our state ten or twenty million dollars by somewhat more liberal legislative appropriations. The appropriation by the last legislature for the state farm extension work was but \$35,000 for the biennium or \$17,500 for each year.

Our state is agricultural and our soil wonderfully productive, but instead of resting content on these valuable facts, instead of robbing posterity by permitting our soil to become depleted as other states have done, instead even of denying ourselves the greater prosperity possible to us, it is the part of wisdom to pause long enough and think deeply enough to secure these greater benefits that are at our hand for the good of our present homes and businesses and for the generations that are to follow.

The question of the prevention of the depletion of the soil is no less an important one than the question of increasing the present productivity of the soil. The question of rotating crops, of putting back into the soil by fertilization and rotation of crops what has been taken out, of keeping up the soil, all comes in as an important part of the work of the demonstrator in improved farm methods. We commit a crime when we rob or destroy our soil and forget our offspring yet unborn.

Of all states Nebraska is perhaps the most exclusively an agricultural state. We have no coal, no minerals, no forests, and we have, relatively, but little water powers or those means that are needful to the manufacturing industries. Our interests are in the products of the soil and in the attendant industry of the growing and feeding of live stock.

We need not deplore the fact that our state is so exclusively agricultural. We may wisely be gratified that its every acre is adapted to the growing of grain and of the forage plant.

What surer financial prosperity, what safer place in the economic world, what greater destiny is there to any land than to the land that not only produces its own food stuffs, but whose products are used in every market of the world?

In what land is there greater intelligence or more wholesome citizenship than in the agricultural districts? In what homes are there greater comforts or wider liberties than in the homes of the ranch and farm?

Our banks are filled with deposits from the farm. Our stockholders are largely farmers or farm owners. Our loans in Nebraska in the main depend upon the success and prosperity of the farm.

It is, therefore, from every angle and from every standpoint, fit and proper and wise that our association proceed with the plans started some two years ago to aid the agricultural work in our state. It is justice due our constituency, from whom we draw our business and our profits. It is wisdom to our present self-interests. It is foresight for our own future and for those to come after us.

The only question is the question of the course to follow that will be the best understood and the motive least misunderstood, the plan that will be most commended and supported and least criticized, the method that will be best received by the agricultural interests and at the same time most satisfactory to our business interests that will largely finance the work.

It is a large problem capable of marvelous results, established upon the proper basis and conducted in the proper channel. Your committees feel that it is not only too large an undertaking for our association alone, but that it were more fit that other financial and commercial interests be invited to join us in such a good work. To this end we recommend that a conference be called as provided by one of the resolutions included in this report.

We beg to offer the following resolutions:

First, That our association recommend that the subject of agriculture be given a still wider place in our public schools.

Second, That our association render every assistance possible to the state farm and urge that larger legislative appropriations be made for its support.

Third, That our association recommend that the next legislature pass a law authorizing counties to appropriate funds for the development of better farming and for improving live stock.

Fourth, That the committees recommend that a minimum annual charge of five dollars be requested from each member of this association for the purpose of defraying the expenses of carrying on agricultural and live stock development in the state, the same to be expended under the direction of the executive council.

Fifth, That the executive council of the Nebraska Bankers Association, shall at an early date call a conference of the financial and commercial interests of the state to consider the question of an organized effort to aid in the development of the agricultural and live stock interests of the state."

The North Dakota Bankers Monthly is the name of a publication to be started soon at Fargo. It will be devoted to the better farming movement as well as to the interests of banking.



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C. G. Hurlburt on Nebraska State Guaranty Law

It is evident that this law has come to stay. A repeal would be opposed by our state legislature and many if not a majority of our state bankers. But changes beneficial both alike to the depositor and banker are necessary to insure the safety of our state banks and these changes by wise action can be secured.

Prior to the time the guaranty law was declared constitutional we had a legislative committee composed of only three members. When this condition arose, giving state bankers special interests of their own, the association added four members to the committee, all state bankers, giving the state bankers the majority of the committee, and the chairman turned over all state bank matters to this part of the committee, leaving such matters to be handled exclusively by them. We also have a committee composed of five state bankers that have in charge the fight in behalf of state banks to avoid the demand that they put up depository bonds for county funds, regardless of the fact that they are protected by the state bank guaranty fund. The case has been decided favorable to the bankers in our courts and we are now waiting for the county to take it to the supreme court. The committee has employed legal talent to handle the bankers' interests when the case arrives at the supreme court. The total expense to the association in this matter will be about \$500 which will be exclusively in the interest of the state banks.

I have heard that there is some talk of a separate organization for state banks. I believe that there is plenty of room and plenty of time to bring up and discuss (if we will do it) all subjects pertaining to the good of both national and state banks at our state conventions and group meetings, and that together we are much stronger and more able to get what we ought to have, than we would be if divided. At the time the last legislature met there was an effort made to reduce the interest rate to be paid on guaranteed deposits, but the answer was that the law had not been tried and that until it had been tried nothing could be done. Now that the law has been tried we can bring some reasons for reducing the rate of interest paid on guaranteed time deposits.

In many of the banks of this state the interest paid on time deposits is much less than the limit rate (5 per cent) allowed under the guaranty law. In fact, many of the banks are glad to get good paper that pays 5 per cent in flush times. This shows that the guaranty law discriminates against the low interest paying localities in favor of the localities that can and do pay higher rates, by causing money that is deposited in banks that pay a low rate of interest to seek out the banks that pay a higher rate, making certain localities not only lose their deposits, but also help to stand good for those same deposits in the localities that have taken them away. This has a tendency to make money scare in the low interest localities and interest rates on loans higher, in order to enable the banks to pay more interest on time deposits; in other words, robbing the borrower for the benefit of the time depositor, because it is plain that in time the banks that are paying less than 5 per cent must raise their rate to 5 per cent if they expect to retain the deposits belonging to their part of the country.

The only reason that more of our deposits have not reached the 5 per cent banks is because the depositor has not been educated to know that it can be done with safety. A few more advertisements like we have seen in the

The Utica banker believes that it is here to stay but suggests important changes, at the Omaha convention. Urges lower interest rates on guaranteed time deposits. Inequities of the situation. Thinks Texas law better. Mistake was made in opposing the law, rather than in controlling it

want ads of some of our daily papers will graduate them.

How many banks in the eastern part of Nebraska can give 5 per cent on deposits and do a conservative banking business without raising the loaning rate, and how can they raise the loaning rate enough to handle 5 per cent deposits when eastern loaning companies are loaning money on real-estate at 5 per cent? Some time ago one of our customers handed me a certificate of deposit for \$500 drawing 5 per cent interest, issued by a bank in this state. We also received a letter asking us if we would pay 5 per cent on time deposits for 6 or 12 months in amounts of \$1,000 and \$2,000. I suppose about all of you have had similar experiences and communications, but I give these to show the tendency, and am quite sure that, like the mail order business, it will grow.

My idea is that the highest rate of interest allowed by the guaranty law should by no means be higher than the rate paid by the banks in the lowest interest paying part of the state. If the guaranty law was limited to the rate paid by the postal savings banks it certainly would be high enough.

I would like to see the law amended to agree with the Texas guaranty law in this particular. The Texas law guarantees the unsecured and non-interest bearing deposits only, holding that if a man gets interest on his money he should take his own risk, and if he takes security the guaranty law should not be expected to add to it.

This makes banks under the Texas guaranty law custodians of funds and loaners of money, but not borrowers to the extent that they buy deposits by paying interest for them. Certainly if the banks protect with a guaranty fund all the non-interest bearing deposits they have done wonderfully well and all that should be expected of them.

Nothing of course should be in the law prohibiting a bank from paying a liberal rate of interest on time deposits, but we should not stand back of such deposits with the guaranty law. Banks have little or no reason to expect the law to guarantee their interest bearing deposits. If they wish to pay interest they would still have the same security to offer to the interest customer that they had before the guaranty law was passed, and would be on an equal footing with the national banks.

What would you think of a banker that has \$100,000 on which he is paying 4 per cent and of which he is loaning about 65 per cent at 6 per cent (he could hardly keep more than that out)? The \$100,000 at 4 per cent costs him \$4,000 and the 65 per cent loaned at 6 per cent brings him \$3,900. He loses \$100 and then has to contribute to the guaranty fund besides. If he paid 3 per cent and loaned at 5 per cent he would only have \$900 profit. What do you think of this for gross velvet on a \$100,000 deal in twelve months, considering the risk to him and the absolute security to the depositor?

Now, listen to this: Nine out of every ten

bankers that I have talked with are in favor of correcting this interest error in our guaranty law, and if we will all put our shoulders to the wheel it can be done. But in order to accomplish it we must have the united support of all the bankers in the state. The national and state banker must lie down together like the lion and the lamb and be good. "United we stand; divided we fall." The attitude of most of the bankers toward the guaranty law has been very bad from the start. Instead of jumping into the band wagon and going right along with the people and legislature and helping to frame the best law possible, they have said all they could against it and tried with money and courts to kill it. Certainly it is possible for the state of Nebraska to frame laws to meet the requirements of the banking business of the state better than could be framed by the national government to cover the requirements of the banking business in all the states in the Union. We now have two very important points in our state law that nearly all bankers concede are an improvement on the national law for banks in this state to operate under. I refer to loaning on real estate and to loaning 20 per cent of capital and surplus to any one person or firm, and it is evident to me that it is possible to have our guaranty law so improved that it will be another point in favor of the state law. If this would make the state law enough better than the national law for banks here to operate under, it will be easy to change charters accordingly. Otherwise, if we neglect our duty and the state law proves too burdensome, the best state banks will take out national charters, thereby steadily increasing the load that the other state banks must carry. Under such conditions any legislature that has the interest of the state at heart will consider measures for relief.

It is one thing to guarantee deposits and quite another thing to keep the banks on a sound financial basis, so that the guaranty law can be perpetuated. We should not overlook the fact that sound, conservative banking is always the first thing to be considered when introducing laws to regulate banks. If we are to guarantee deposits, I hold that we ought to require that said deposits be taken only on a profit yielding basis. If in our eagerness to guarantee deposits, we sacrifice reason and intelligence, we will fail to accomplish the desired result, and will correct the error at the end of financial disaster. As national and state banks are all interested it will be well for us to get ready for action when the next legislature meets. I wish to ask for a free discussion of the subject at this time.

SECOND DIVIDEND OF FAILED BANK

Superintendent George C. Van Tuyl, Jr., of the New York state banking department, has directed the sending out of dividend checks for a second dividend of 10 per cent to creditors of the failed State Bank of Pike, Wyoming county, which was closed last January. The bank paid a first dividend of 80 per cent on May 23d, and it is expected that creditors of the institution will ultimately be paid in full. Frank Noble, state bank examiner in charge of the Buffalo district, was designated by Superintendent Van Tuyl as special deputy superintendent of banks to assist in the liquidation. There was due depositors of the bank at the time of closing \$70,497.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - - - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

An interesting point is raised in a law suit started by the City State at Thief River Falls, Minn., against the First National at Malvern, Iowa, in which the plaintiff asserts that the defendant refused payment on a draft of \$1,500 on the plaintiff. It is asserted that the draft was properly accounted for and was regular in every way.

Des Moines, August 29th.—Detective Gus Patek, the sheriff of Shelby county and two women dressed up in male attire to fool their husbands, were participants in a comedy near Harlan that might easily have proved a grim tragedy. Detective Patek, who is the Iowa representative of the Burns Detective Agency, and the sheriff of Shelby county were motor-ing through the country on the trail of the two men who robbed the bank at Portsmouth, afterwards engaged in a thrilling battle with the people of the town and finally escaped with \$1,300. Descriptions of the two yeggs as given to the officers indicated the traditional tall and short man and the two officers were well supplied with facts as to the clothing worn by the robbers. Suddenly the chauffeur exclaimed. "There go two men out of the corn field." The sheriff caught a glimpse of two fellows who ducked out of the field and darted to a corn crib.

"Stop the car," he ordered as he drew his revolver. The driver obeyed instructions. Mr. Patek and the sheriff dismounted as the two suspects dashed from the corn crib into the big barn. Their suspicious actions and the clothing of one tallied exactly with what the officers expected to find when they caught the robbers.

Patek leaped behind a tree. The sheriff, a 250 pounder, tried to hide behind a hay rack. Both were ready to shoot, but expected that the robbers would be the first to open fire. One of the suspects poked his head out, then drew it quickly back again. Patek leveled his big revolver at the point where the head had appeared and yelled, "Throw up your hands!" For an instant there was no reply. Then came a frightened feminine voice:

"What do you two men want?"

The detective dropped his gun. So did the sheriff, both too astonished to speak. From the barn came two women too badly frightened to talk but with their arms held high. They were dressed in men's clothes. Explanations were soon forthcoming. The women had dressed themselves in their husbands' clothes to fool them. When they saw the auto coming they scurried to cover in the corn field, then tried to get into the corn crib and later into the house. It was a decidedly narrow escape, for Detective Patek was ready to pull the trigger the next time that head peeked out from the barn.

Secretary P. W. Hall on Rural Schools

Secretary P. W. Hall of the Iowa Bankers Association has some pronounced views on the rural school question. He believes it is closely identified with the movement for better Iowa crops, for he believes that the exodus of young people from the farms and the consequent placing of farms in the hands of tenants is due to the failure of the rural schools to fulfil their true mission. Before the Better School Commission at its meeting in Iowa this week, Secretary Hall appeared on the program

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L. J. YAGGY, Cashier

A. F. DAWSON, President

with a paper on "Our Schools as Factors in the Development of Better Farm Conditions." Secretary Hall took up the question of school consolidation and argued that it is the ultimate solution of the problem.

Iowa Bankers Offered Positions in Chicago

The offer that was made to Arthur Reynolds by the Continental Commercial National of Chicago and which he refused to accept, preferring to remain in Des Moines as president of the Des Moines National, is still a subject of conversation among Des Moines bankers. It is stated that other Iowa bankers have been similarly tendered positions with Chicago banks within recent months although none at a salary so high as the \$30,000 annually which it is said Mr. Reynolds declined. Homer A. Miller, president of the Iowa National, was offered an office with the Corn Exchange at Chicago, it is said, and Lee Stevens, president of the Century Savings, was likewise offered positions with Chicago financial institutions. It is said that C. H. McNider, president of the First National at Mason City and one of the best known bankers in the state, has been tendered an opportunity to engage in the business in the Windy City, but has preferred to remain in Mason City, which is one of the most rapidly growing towns in the state.

Bull Moose in Iowa

It is practically certain the Bull Moose party will put a state ticket in the field in Iowa. A state convention has been called for September 4th in Des Moines, at which time candidates will be named to run against the regular republican and democratic tickets. It is thought probable that former State Senator Frank M. Hopkins of Guthrie Center will be put up for state auditor to oppose Auditor Bleakly. Mr. Hopkins up to this time has not announced his candidacy, however. Auditor Bleakly has come out squarely for the entire republican ticket.

G. D. Ellyson

G. D. Ellyson, formerly president of the Commercial Savings, Des Moines, is working on a movement to secure the adoption by the government of a finger print system of identification and handwriting that he believes should

become standardized by the police throughout the entire country. Mr. Ellyson proposes that every man, before he can vote, must give the election judge a thumb print and his signature. Mr. Ellyson has always been considered an expert on handwriting and has appeared in innumerable forgery cases in the district and lower courts.

National Bank of Milton Opens

The National of Milton which opened its doors a few days ago takes the place of the Farmers & Merchants of that town which went under last spring, causing a serious business depression in that community. The new institution is backed by some of the best known people in that section of the state. The president is H. C. Taylor; vice-president, E. E. Hoskins; cashier, U. G. Rice. Directors in addition to the above are J. F. McConnell and H. C. Hill, and the stockholders include other well known financiers. The opening of the new bank has caused much joy among the business men of Milton.

State Bank of Laurens

Details have been given of the sale by C. S. and B. L. Allen of the majority of their stock in the State Bank of Laurens to C. B. Mills of Clinton and E. M. Duroe of Sioux Rapids. The Allens have maintained their interest in this popular institution for more than twenty-six years. The bank was formed by D. J. Allen & Sons as a private bank January 1, 1886. In 1892 this institution became known as the State Bank of Laurens and was reorganized with a capital stock of \$50,000. The Allen Land & Loan Company was formed at the same time with a capital stock of \$119,000. This was owned by D. J., C. S. and B. L. Allen. The Allens will remain in Laurens and will retain their places as directors of the institution. They are also still associated with their brother, J. H. Allen, in the First National of Pocahontas. The purchasers, Messrs. Mills and Duroe and their associates, own and operate the First National at Sioux Rapids, the Rembrandt Savings at Rembrandt, the First National at Linn Grove and the Rossie Savings at Rossie. Mr. Mills is also vice-president of the Peoples Trust and Savings at Clinton.

Death of Samuel H. Moore

Samuel H. Moore, vice-president of the Humeston State at Humeston for twenty years, dropped dead last week while superintending the unloading of grain at a grain office in that city. The deceased was sixty-seven years of age and was supposedly in good health when stricken down without warning. He was for several terms a member of the Iowa legislature.

New Bank at Cole

The new Farmers Savings at Cole is fully organized and is ready for business with a capital stock of \$30,000. There are sixty stockholders in the institution and for the most part they are the well-to-do farmers who reside in the vicinity of Cole, and who are common all over Iowa. A fine new building will be erected and it is expected to be in good working order by December 1st.

Iowa Banking Notes

Clifford DePuy, son of the late Emerson DePuy, is continuing the publication of the Northwestern Banker, the Des Moines publication which is well known in the Middle West. The late Mr. DePuy had been in charge of the publication of the paper for some years and was successful in putting it on its feet. Since his death, there have been three or four offers made for the magazine, but the son has refused them.

F. M. Hubbell, well known Des Moines multi-millionaire, has acquired a big block of

stock in the Century Savings Bank of Des Moines. As Mr. Hubbell does not often invest in bank stock, the purchase has attracted considerable attention in bank circles. The Century Savings has made admirable progress since Mr. Lee Stevens assumed the presidency and its deposits are now more than a million dollars.

Harmon Baughn, director in the Shelby County State at Harlan, and one of the wealthy men in that vicinity, died of diabetes at his home last week after an illness of long standing.

Settlement has been made with the Citizens Bank at Donnellson, Iowa, and the merchants who were victimized by Harvey Haar, whom it is alleged forged the name of a cousin to some checks and successfully negotiated them.

Much interest has been manifested in Iowa over a paper by National Bank Examiner H. M. Bostwick of this state which has been given to the public by Comptroller Murray. In this paper, Mr. Bostwick has pointed out the importance of bank directors examining the condition of the institutions with which they are connected. He asserts that the growing tendency to care in this direction has been a splendid effect in safeguarding national banks in Iowa.

B. E. Sebern, cashier of the Farmers Savings at Manson, was stricken with paralysis quite suddenly, and at this writing is not expected to recover. He is only 44 years of age and apparently was in normal health when taken ill.

Mr. and Mrs. Arthur Reynolds were dinner hosts at the Des Moines Club in honor of Miss Nina Estabrook Nation of New York. It was one of the most pleasant social events of the early autumn season.

Sioux City

By JOHN J. BIDDISON

Figures for the week ending Saturday, August 24th, as compared with those of the corresponding week a year ago, show that the clearings of Sioux City banks have taken a healthy bound, due, bankers say, to the normal growth in business being done. It is probable, however, that the organization of new banks, which, though not large, are doing a substantial business, has something to do with the growth indicated. Sioux City enjoyed a fair business last year, but a much

better one this year, and the clearings are weekly giving proof of it.

Officers of the First National Bank of Rapid City, S. D., are much elated over the rating given that institution on the "roll of honor" of a New York financial publication, which ranks it 72d among 1,366 national banks entitled to position on the roll. The list is made up by ascertaining the percentage of excess surplus and undivided profits above the amount of capital stock. Last year the bank stood 120th. Other banks on the roll are the First National Banks of Lead and Aberdeen, which rank 123d and 143d respectively.

A period of two years or more is covered by the speculations alleged to have been indulged in by John E. Jellinek, cashier of the Farmers State Bank of Amherst, S. D., who has been bound over to the grand jury under \$3,200 bonds, following the recent charges of embezzlement. Others may be arrested.

Among the bankers who were in Sioux City this week were: W. R. Cain, Randolph, Neb.; Oluf Johnson, Elk Point, S. D.; D. A. Oltmann, Kingsley, Iowa; W. E. Heaton, Yankton, S. D.; J. A. Ingalls, Kingsley, Iowa; W. W. McElrath, Merville, Iowa; J. Benj. Graslie, Vienna, S. D.; Herman Fortin, Salix, Iowa; S. W. Wright, Wessington Springs, S. D.; P. K. Holbrook, Onawa, Iowa.

C. E. Floete, president of the Armour State Bank, Armour, S. D., has been at the St. Joseph Hospital for an operation for appendicitis. His case was a serious one, but the surgeon in attendance says he is doing well.

Ed. Latta, son of the late Congressman Latta and president of the First National Bank of Tekamah, Neb., has, with his wife and mother, just returned from a 5,000 mile motor trip through the eastern states. They left about the middle of May.

"THE PRESIDENCY OF THE UNITED STATES OF AMERICA"

The above is the title of a booklet issued with the compliments of the Chicago Savings Bank and Trust Company. The book is by Lynn B. Stiles. It contains information about the election of a president, gives a list of former presidents, the number of electoral votes of each state, the way the states have voted in former years, and a vast amount of other useful information.

Seattle

In order to divert Alaska gold from the San Francisco Mint, where it is going in great quantities because no fee is collected there, while a rate of \$1.25 a thousand is exacted at the government assay office here, the Seattle chamber of commerce decided yesterday to pay a differential of 75 cents a thousand on all Alaska gold deposited in the Seattle assay office. This differential, together with the 50 cents express charges on gold shipped to San Francisco, will offset the assaying fee, and bankers and business men believe that the stream of gold which for more than a year has been flowing to San Francisco instead of to Seattle will be turned into this city again.

Judge W. W. Woods of the district court has signed an order permitting the sale of the State Bank of Commerce building, Wallace, Idaho, at public auction. The order states that the Wallace National Bank has made an offer of \$50,000 for the building and provides that while the property is to go to the highest bidder the bid is not to be less than this qualified figure. The sale of this property means that a dividend of about 12 per cent will probably follow early in September. With this payment the bank will have given back approximately 60 per cent of the loss.

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Send 2 cent stamp for Illustrated Pamphlet and Great Lakes Map.
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MILWAUKEE

Edwin T. Coman Before the Montana Bankers

Edwin T. Coman, president of the Exchange National Bank, Spokane, Wash., delivered an address last week before the Montana bankers at their convention held in Kalispell, entitled "Limitations and Liabilities of a Bank Director." Mr. Coman told of the frequent lack of knowledge often displayed by directors as to the existent condition of their banks. He gave a list of the famous twenty-nine questions propounded by the comptroller of the currency and relating to directors, which is as follows:

(1) What is the number of directors of the bank? (2) What number was present at this examination? (3) How many of the directors know the condition of the bank in all its details? (4) How many have but a general knowledge of the condition of the bank? (5) How many know nothing at all about the condition of the bank? (6) How many attend board meetings with regularity? (7) Have the directors full knowledge of the habits and general standing of the bank's employees? (8) Do the directors approve loans before or after they are made, or leave this important duty to a committee, or to the officers of the bank? (9) If they approve loans, is their approval of record in each case? (10) Can the directors certify to the genuineness of the signatures to the notes discounted by the bank? (11) Do the directors authorize overdrafts? (12) Do they tacitly permit officers to allow overdrafts? (13) Do any of the directors, other than members of the discount committee, examine and verify loans and discounts? (14) How often do the directors examine and list all collateral held by the bank? (15) How often do the directors examine and list all stocks, securities, and real estate mortgages owned by the bank? (16) Do the directors direct the calling in and balancing of pass books and satisfy themselves as to the correctness of the work? (17) Do the directors require the verification of accounts current at irregular or stated dates, and satisfy themselves as to the correctness of accounts? (18) Have the directors verified outstanding certificates of deposit, certified checks and cashier's checks? (19) Have the direc-

The old doctrine of the limitations and liabilities of the bank director from a new and up-to-date point of view by the Spokane financier

tors examined into the condition of the lawful money reserve? (20) Do they know whether or not bank notes are carried into the reserve? (21) Does a committee of the directors count the cash periodically? (22) Has a committee of the directors ever checked up the stock ledger? (23) Have the directors examined the profit and loss, and expense accounts? (24) Have the directors compared the bank's copy of the last report of condition, and statement of earnings and dividends, with the books of the bank as of the same dates? (25) How

many of the directors read the letters of criticism from the comptroller? (26) Do they read carefully the replies made in answer to letters from the comptroller? (27) What steps are taken by the directors to correct matters criticized by the comptroller? (28) How many of the directors have read the national bank act? (29) How many know the duties of directors and what the courts have decided as to the responsibility and liability of directors?

He believes that few boards of directors know the condition of their banks in all its details, but that probably the majority of them have a general knowledge. The action of the comptroller's office has had much to do with reducing the number of directors who take no interest whatever in the affairs of their banks. Mr. Coman believes that the approval of loans by a board of directors should be made a matter of record, not only so that the full board can have cognizance of the loans, but so that they may share the responsibility with the active officers; also that it would be impossible for the directors to certify to the genuineness of signatures in each case, as it even would puzzle officers in banks with many millions of bills receivable. He is of the opinion that directors seldom authorize overdrafts, and that the action of the state and national banking departments has done much to eliminate this pernicious practice. Periodical examinations of the loans and discounts of a bank, together with the collateral and the stocks and securities usually are left to committees appointed for that purpose, although in country banks with boards of moderate size this work is done by the entire board. He stated that in but very few banks do the directors direct the calling in and balancing of pass books, and that the inauguration of such a practice probably would alarm the depositors as to the stability of the bank. There probably are few examinations made by directors themselves that segregate the different kinds of currency. The profit and loss account universally receives the closest attention of boards of directors, for in this account are the entries which directly affect the dividends. For-



EDWIN T. COMAN
Spokane, Washington



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merly the tendency was quietly to pigeonhole letters from the comptroller after they had been answered. Now the letters are addressed to the president and the board of directors and require an answer over their individual signatures. This has had the effect of bringing home to the director a realizing sense of his responsibilities, and has put a spur upon the bank manager so to correct abuses to the end that these embarrassing letters may cease. Probably the majority of directors have not read the national bank act. Mr. Coman believes that it would be wise if at the annual election of the board it be required that the law be read. In all institutions there necessarily must be some directing head whose powers are more or less autocratic, and one of the most important duties of a board of directors is the selection of such a head. Directors often are selected on account of their prominence in the community in which the bank is located, and their connection with numerous business enterprises. This often has the effect of preventing necessary concentration on matters relating to their banks. An officer is much better qualified to pass judgment on the paper of the bank, because he is in closer touch with the borrower and fully acquainted with all the existent conditions. It has been held by our courts that if a director conscientiously discharges the duties of his office, in such a way as an ordinarily prudent man would act under similar circumstances, he is not liable for honest mistakes in judgment. But if it can be shown that there has been any negligence or lack of good faith, then his liability is limited only by his financial responsibility. There is a provision in the national banking law which prohibits a bank from loaning more than 10 per cent of its capital and surplus to any one individual. It repeatedly has been held that if a loss occur to a bank on an excessive loan, the directors who authorized such illegal loan personally are liable to the bank to make good the loss; and when a loss is sustained a resolution must be passed by the board stating the amount of such loss, the names of the directors who au-

thorized the loan and the fact that they will reimburse the bank.

The limitation of the influence and power of bankers and bank directors is determined by their activities, and their liability may be much or little, dependent as it should be on their devotion and fidelity to the most sacred, solemn trust. There might be some difference of opinion as to the certainty of the value of treasures laid up where thieves do not break in and steal, and rust doth not corrupt, but few there be that minimize the value of treasures in the shape of substantial balances in solvent banks. That this trust may be increased, with the result of increased deposits, depends largely upon the faithfulness of those called upon to serve in that position of grave responsibility, of highest trust—that of a director in a bank.



A. L. SMITH
Helena
Retiring President Montana Bankers Association

**T. L. MATTHEWS ON RELATION OF
BANKER TO SOCIETY**

(Continued from page 21)

distinguished in the galaxy of states to which she belongs, not only for the splendor of her skies, the productivity of her soil and the magnitude of her output of material things, but that she may be renowned first of all for the intelligence and honesty and the high character of her citizenship.

One of the fallacious arguments against the restriction or limitation of wealth and its control by law is, that such restrictive measures destroy incentive; and we have urged upon us the doctrine that the desire to possess wealth is the inspiring influence that has lifted the world from the anarchy of the jungle to the present high state of civilization.

The question of incentive is one that merits serious consideration; if to change the present order of society in such a way that wealth would be more evenly distributed and the accumulation of fabulous fortunes prevented—if that would destroy human incentive for that worth achieving and accomplishing, it would be a strong argument against such change; but what foundation is there for such a contention?

When we turn to the most splendid pages of history of any age and read the stirring records that thrill our souls and make our hearts swell with admiration, we search in vain for any evidence that greed of gold or love of accumulation furnished or incited the inspiration.

Call the roll of all the millionaires you can think of and what one of them ever discovered anything or invented anything that has lifted the load from the back of tired humanity?

The ambition for money never produced a great poem; never led to a great discovery; never painted a great picture; never wrote a great play or opera; never won a great battle; never gave birth to a great invention.

For the love of country, men have placed life and fortune on the altar of their country; for love of art, men have toiled in squalor; for love of fame, men have won victories that

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FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

have changed the map of the world; for the love of children, mothers have crawled on their knees and sold their virtue; for the love of art and song, men and women have starved in garrets; for love of religion, men and women have gone to the stake singing "Hallelujahs."

But no golden deed that shines out to-day in the galaxy of the world's great memories; no triumph of science that has visualized new worlds, new planets and new stars; no invention that the genius of man has given to the world; nothing that has caused the pulse of mankind to beat faster; nothing that has painted the rainbow of hope in the sky of man's despair; no beacons that flame out on the mountain tops of glory were ever inspired by the greed for gold or love of accumulating wealth for wealth's sake.

That a social and industrial revolution is impending scarce admits of doubt in the minds of the students of the world's affairs. Our concern and duty and the obligation now upon us as bankers and patriots is to see that it is so directed and controlled that it will work for good and not for bad; that its forces will carry, not the bludgeon and torch, but the wand of peace; that it may come as the sunshine and rain to make the fruit and flowers, and clothe the earth in new beauty, and not as a cyclone of wrath, leaving death and destruction in its path.

I acknowledge with admiration the surpassing genius of our great captains of industry. I concede to them the superior organizing and administrative acumen that has enabled them to so direct the currents of trade that the world's most heavily laden argosies have unloaded their wealth in their storehouses. I am willing to concede that these rich ships have not been captured under a pirate flag, but I stand here to plead that the seas of commerce and trade be made free for the little as well as the big ships. I am here to plead that the "Captains of Industry," the "Men at the Top," give some of their time, some of their masterful mentality, some of their superlative genius to the making of the road a little easier for their fellows who, through no fault of their own, but because of nature's handi-

cap, find the hurdles too high for them to leap.

Concentrated money is concentrated power, and "Power" said Emerson, "can be generous." The very grandeur of the means which offer themselves to us should suggest grandeur in the direction of our expenditure. If our mechanic arts are unsurpassed in usefulness, if we have taught the river to make shoes and nails and carpets, and the bolts of heaven to write our letters like a Gillott pen, let these wonders work for honesty and humanity, for the poor, for justice, genius and the public good; let us realize that this country, the last found, is the great charity of God to the human race.

D. R. FORGAN CRITICIZES PARTY PLATFORMS

D. R. Forgan, president of the National City Bank of Chicago, in a talk at the banquet on Tuesday evening of the Nebraska Bankers Association, held in Omaha, stated



D. R. FORGAN
Chicago

that none of the party platforms provides for the currency reform needed by the country. He does not see much prospect of getting through congress the reform urged by the National Monetary Commission. He said in part:

"The republicans appointed the monetary commission. Its report is the result of a thorough inquiry all over the world, and the consensus of opinion of practically all authorities competent to judge. It proposed the 'National Reserve Association of the United States,' which I have explained to you. Many of the leaders of the party, including our worthy President, have approved it. But the platform builders contented themselves with a description of the need of such an institution without a single word as to how the need is to be filled.

"The democrats oppose the proposition without suggesting a reason for such opposition, and then indulge in some empty phrases which say absolutely nothing.

"The progressive platform, after admitting the need of reform, says: 'We believe the present method of issuing notes through private agencies is harmful and unscientific. The issue of currency is fundamentally a government function.' I wonder if the author of these lines lives in the United States? If he does, it is strange that he does not know that the issuing of currency is absolutely a government function in this country. All the various kinds of our currency are issued and re-

deemed directly by the government except the national bank notes, and these are issued by the government to the banks while the government holds its own bonds as security and undertakes their redemption.

"It is just because the issue and redemption of currency is a government function in this country that it is inelastic and unscientific.

"In no other commercial nation on the face of the earth is it a government function, and in no other country is it inelastic and unscientific.

"But the author further shows his profound ignorance of the subject by opposing the so-called Aldrich bill because 'its provisions would place our currency and credit system in private hands, not subject to effective public control.' Again, I cannot help wondering whether the author of these lines has read the Aldrich bill.

"The 'National Reserve Association of the United States' is to be owned proportionately by all the national and state banks in the country who join it; is to have three members of the President's cabinet and the comptroller of the currency on its executive committee; is to have its governor appointed by the President; and is to make over ultimately all of its profits (except 5 per cent to its stockholders) to the government. I ask you, gentlemen, is such a semi-government institution fairly described as 'private hands, not subject to effective public control'?

"It is discouraging, but the simple truth is that the politicians do not understand the subject, or if they do, they are afraid to support any definite proposal lest they lose some votes by so doing.

"It seems to me, therefore, that you bankers, especially you bankers of the West, owe it to yourselves and to your country to study this proposition, to master it and to explain it to the people. In this way only can a public sentiment be created in support of this measure that will say to the politicians of all parties, 'stop vote catching and playing politics long enough to allow a real reform—a reform which will remove the national disgrace of periodic suspension—to go through.'"

BANKS MAY BUY SURETY BONDS

Columbus, Ohio.—Banks may guarantee their depositors by practical methods that could be made to take the place of the state guaranty of bank deposits as adopted by Oklahoma, according to an opinion given Monday by Attorney-General T. S. Hogan to State Bank Superintendent F. E. Baxter. Mr. Baxter propounded the question in the interest of a number of banks who wished to know whether they might purchase a surety bond for the protection of their depositors and give them the same sort of protection that the state or a political subdivision demands when it deposits public money. The attorney-general says: "The power to contract or be contracted with gives to a bank very broad powers, and in the absence of any provision prohibiting a bank from securing its depositors by a surety company bond, it seems that this power or right can well be implied."

Two state banks were organized in Oklahoma last week. The Guaranty State Bank of Watts has a capital of \$10,500 and the First State Bank of Locust Grove has a capital of \$15,000.

The Merchants and Planters Savings Bank of Texas, located at Austin, has changed its name to the Great Western Loan and Trust Company and transferred its place of business to Sweetwater.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

Chicago and go over to Detroit with the Banquet-on-Wheels party. C. A. knows a good thing by instinct.

READ the table reservations and see how they suit you. If they're O. K., enough said. If they're not satisfactory, kick to any member of the transportation committee you can find.

THE Northwestern National at Minneapolis has established a bureau in its lobby, where information of an industrial and general nature about Minneapolis and the Northwest generally can be obtained. It is in charge of Frank Merrill, who has been one of the bank's tellers.

A. M. CLEVELAND, of the Northern Pacific, surprised the bankers on the "Red Special" en route to the Yellowstone with a souvenir menu in the shape of a yellow money bag neatly tied with ribbons in the railway colors. The list of "eats" makes one hungry to look at it.

W. G. EDENS was roaming at large in the Garden of the Gods at last report.

E. J. BOWMAN of Anaconda was in Chicago this week. Came in after his ticket to the banquet on wheels. C. C. Swinbourne of Butte and W. D. Vincent of Spokane will be table mates while the chairman of the Illinois Highway Commission will say grace.

WE hear that the Burroughs souvenir to be passed out by E. St. Elmo Lewis at Detroit is a box of "Baby Bumble" golf balls, to be used at the tournament on Wednesday. They're the kind Jack Lewis holes out at one-on-the-green.

FIRST NATIONAL of Pullman, Wash., is promoting a "Hog Day" as its share in the agricultural uplift movement.

FRED W. ELLSWORTH, with the Guaranty Trust, down at New York, is sending out the best book on "Short Term Securities" ever issued on the subject. A third edition has been printed. He sends it free and is glad to do it. Nothing for sale at any price compares with it.

NATIONAL BANK OF POTEAU, Okla., issues the "National Bank News," which isn't one of those tiresome all-alike, readymades, but a real little newspaper. Do the real thing if you do anything along this line.

WARE & LELAND say a period of reaction after the rising market of the past two weeks was to be expected. Anti-railroad sentiment in congress, as was indicated in the Panama Canal bill, was used as a pretext by those working for lower prices to cause a reaction in the railroad stocks of from 1 to 4 points. In the face of the heavy selling in the railroad shares, the industrials held remarkably firm, particularly the copper group, which closed at nearly the best prices for the movement.

"TELEPHONY" had a dandy write-up of H. R. Aisthorpe of Cairo, a former Culver boy. "Hal." has made good as a telephone official as well as a banker.

ONE of the great features of the financial growth of Chicago is to be found in the increase in the number and the importance of the outlying banks.

ONE of the greatest features in the growth of these banks has been the savings department. The convenience of the customers has been consulted and to each depositor has been given individual attention.

THE safe deposit business also has been developed in these smaller institutions and it is a notable fact that the outlying banks are

educating the communities they serve in the employment of safe deposit boxes for the protection of their jewels and other valuable personal property.

TO those who are away from frequent contact with the downtown district and especially to those of moderate means, these outlying banks are a boon. An examination of the ratio that is maintained between the capital and surplus and the deposits will indicate the strength of these banks. They are incorporated under state or national law, are subject to examinations either by the state or national bank examiners and are in all respects adequately safeguarded to insure the protection of their customers.

OTHER cities will do well to look up this feature of Chicago banking and its great increase of her banking power. It is a feature applicable to any growing city.

RAILROADS are doing their share in the better farming movement. L. M. Allen of the Rock Island has called attention to the fact that the entire September issue of the "Southwest Trail" will be devoted to agriculture.

H. M. COTTRELL, the agricultural commissioner for the Rock Island, says that the yield of corn per acre must be largely increased, or land values will have to suffer a severe drop, or a large part of the best corn lands will have to pass from owners who work it themselves to wealthy men and rich corporations who can stand low returns, provided the investment is certain.

THIS all sounds ominous and true. Mr. Cottrell calls attention to the fact that land in the corn states has increased rapidly in selling value, while the productivity of much of it has been decreasing steadily. Much of the high-priced corn land is barely giving a net annual return of 4 per cent on the investment.

HE also says that seed corn of the strongest vitality can be secured by going into the fields a week before frost, gathering good, well-matured ears that grow on strong, thick stalks, curing the ears in normal temperature until kernel and cob are thoroughly dry and hard, and keeping the corn until planting time where it will not become damp or get either heated or chilled.

PRESIDENT F. N. BRIGGS of the Colorado association didn't forget to write in to thank THE CHICAGO BANKER for its report of the Pueblo convention. CASHIER.

A NEW ROUND-ROBIN

It is rumored that the same New York banking and financial papers which presented a round-robin to the council at Briarcliff against the Journal Bulletin are out with another one to go before the council at Detroit, charging that the Journal is a financial magazine and is in proper competition. They claim that not one new member ever has been gained by the publication, also that it costs too much and the present policy of running it is all wrong.

STANDARD TRUST TWO YEARS OLD

The Standard Trust and Savings Bank of Chicago will be two years old on September 6th. Its deposits at present are around \$5,250,000, and its earnings at the rate of about 10 per cent a year. No dividend has been paid as yet, but the stock which originally sold at 125, now is about 170 bid, an advance of 45 points in the two years. Charles S. Castle is the president.

Jay W. Sweetser, president of the First National of Forsyth, Mont., died of heart disease last week. He was ill ten days.

Nebraska Convention

Omaha, Neb., Aug. 28th.—George Sawyer of Western unanimously was elected president of the Nebraska Bankers Association before the sixteenth annual convention adjourned yesterday afternoon at the Elks' club rooms. J. C. French of South Omaha and William Hughes of Omaha, treasurer and secretary respectively, were retained in those offices. The other elections were to the executive council of the organization. Frank Thompson of Albion, William Rhoades of Omaha, M. W. Folsom of Lincoln, L. P. Sorenson of Eustis and Thomas Murray of Dunbar were elected for a period of three years. W. H. McDonald was elected for a term of one year. Retiring president Frank McGivern appointed to the committees Dr. P. L. Hall of Lincoln, national financial legislation committee; Elmer Williams of Grand Island, educational committee; C. O. Crosswait of David City, membership committee.

Yesterday afternoon's sitting was marked by considerable discussion, the principal point in which resulted in the defeat by the country state bankers of a resolution to the effect that the banking laws of the state should be so amended as to exclude from the guaranty of the deposits provision any and all interest bearing deposits. A resolution also was unanimously adopted in favor of a plan of monetary and banking reform. "American in its spirit and application, fair to all sections and classes, free from dominant control by any special interest, which will make liquid the sound commercial paper of all banks; provide an elastic currency and credit to meet all demands at all times without possibility of over-expansion; which will create a discount market at home and abroad, and organize banking facilities with other countries."

More than 500 bankers attended the convention. It was the largest and most interesting meeting ever held by this organization and was in the nature of a love feast. Never before have the bankers of the Central West been so close to the farmers. Therefore the keynote of the Omaha meeting was "How can the banker assist the farmer and how can the farmer assist the banker?" The sessions were held in the Elks' club rooms and at 10:30 o'clock Monday morning Victor B. Caldwell, president of the Omaha Clearing House Association, delivered the address of welcome which was responded to by President Frank McGivern. C. W. Pugsley, of the department of agricultural development and farm management of the state university, delivered an address on "How Bankers Can Assist Agriculture," which was followed by a general discussion of the subject. Among the other set addresses of the convention were: "The Relation of the Banker to Society," by T. L. Matthews of Fremont; "Handling Your Customers," by George M. Mangold of Bennington; "State Bank Guaranty Law," by C. G. Hulbert of Utica and "Separate Reserve Associations Based Upon the Report of the Aldrich Monetary Commission," by Henry W. Yates of Omaha. One of the big social features of the convention was the annual banquet at the Field Club, last evening, at which bankers of Omaha and South Omaha were hosts. Senator Norris Brown was toastmaster. D. R. Forgan, president of the National City Bank of Chicago was principal banquet speaker on "The National Reserve Association of the United States." W. B. McQueen of Hay Springs responded to the toast "Group Six." Tuesday afternoon William J. Burns entertained the convention with a talk on "Protection of the Banks."



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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

SEPTEMBER 7, 1912

Entered as Second-Class Matter January 15, 1903, at the
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At Peoria

The Illinois convention will be held at Peoria September 25th and 26th. The address of welcome is to be delivered by George W. Curtis, president of the Peoria clearing house, and the response will be made by W. T. Fenton of Chicago, after which President Harris will deliver his annual address. Prof. George E. Vincent of the University of Minnesota will talk on education and national efficiency, and



ASA E. RAMSAY
Muskogee
President Oklahoma Bankers Association
Vice-President First National Bank

will be followed by H. E. Miles, chairman of the national association of manufacturers' committee on education.

The afternoon of the first day Harrington Emerson, the great scientific business organizer and expert, will talk on business and financial efficiency. W. B. McIntyre of the Peoples National of Rock Island will give a humorous talk, the subject of which is "Bumps," and J. N. Dolley, banking commissioner for Kansas, will talk on the "Blue-Sky" bill and bank supervision. The afternoon meeting will adjourn in time to leave for a trip down the river, returning at 10:00 P. M.

Thursday morning will be devoted to agricultural subjects. Among the speakers provided for are William O. Thompson, president of the Ohio State University, and of the organization of all the agricultural colleges in the country; W. G. Eckhardt, the field demonstrator for DeKalb county, who is the first county demonstrator employed in Illinois, which work has been started by DeKalb county bankers in response to the work done by the Illinois Bankers Association. Charles A. Conant of New York and Senator Hugh S. Magill, Jr., of Princeton, also will make addresses.

Thursday afternoon will be devoted to good roads and to the business details of the association, at which session Jesse Taylor of Ohio

will talk on this subject. S. E. Bradt, chairman of the good roads committee of the association, will report the recommendations of his committee. Percival G. Rennick of Peoria will give a humorous address entitled "Talk,—That's All." The balance of the time will be taken up by the report of the chairman of the executive council, the election of officers, etc.

Headquarters will be at the Jefferson Hotel, and registration on the Mezzanine floor. The sessions will be held in the Orpheum Theatre, which is two blocks from the hotel. The executive council meeting will be held Tuesday evening, the 24th. The executive council dinner will occur at 6 P. M. Group dinners have been arranged for so that members of each group may dine together at a table especially provided. Ladies attending the convention will be entertained at luncheon at the country club at 1:30 on Thursday, and there will be a large ball that evening.

The program no doubt will prove very interesting on account of the high class speakers provided for, they being the very best in their class in the whole country. The program is especially noteworthy, not only on account of



W. H. MANLY
Birmingham
President Alabama Bankers Association
Cashier Birmingham Trust and Savings Bank

the way in which the subjects are covered, but from the fact that a large field in the lines of public welfare is embraced.

The Call

The national bank call came out for the 4th of September. It found many of Chicago's strong banks actually up in deposits, and much above reserve requirements, with money loaning at 5½ per cent. Why shouldn't the banker as well as the farmer be happy?

H. Thorston has been elected president of the State Bank at Guthrie, N. D.

Boston in 1913

Lewis E. Pierson, president of the Irving National of New York, has been in Chicago nearly all of this week and will go over to the Detroit convention on the Banquet Special. It was Mr. Pierson, who at the Briarcliff meeting in May, invited the American Bankers Association to hold their 1913 convention in New York City. He has been informed that the city of Boston will present an emphatic invitation at the Detroit meeting for the 1913 convention. Innumerable flirtations have been conducted between the association and Boston, and it now appears that she has nearly all of her new bank buildings completed and is anxious to "show them off." Mr. Pierson says that the New York invitation was predicated largely upon her new bank building situation, but that having had the convention several times, New York will give way for the present to Boston, so that in all likelihood the 1913 convention will be held there. In New York there are the Bankers Trust, Guaranty Trust and Irving National all in their new buildings and anxious to show visitors about. Boston shows up in a similar manner and the American Bankers Association no doubt will be glad to visit that city in 1913. There will be little difficulty in making the Boston meeting the largest on record on account of her many natural beauties and points of historic interest which will attract the delegates.

LUCIUS TETER ON GENERAL SITUATION

Lucius Teter, president of the Chicago Savings Bank and Trust Company, says that business continues good, and that the demand for money is strong. He anticipates prosperous times this fall.



CHAS. G. HENRY
Newport
President Arkansas Bankers Association
Cashier Arkansas Bank and Trust Company

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CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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ALEX. ROBERTSON	- - -	Vice-President
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JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
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WILSON W. LAMPERT	- - -	Assistant Cashier
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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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United States
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Capital	- -	\$2,000,000
Surplus and Profits	- -	600,000
Deposits	- -	27,000,000

Comparative Showing of Deposits

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
March 7, 1911	.....	21,574,956.79
June 7, 1911	.....	23,137,746.88
September 1, 1911	.....	24,500,075.82
December 5, 1911	.....	25,445,199.89
February 20, 1912		26,207,446.32
April 18, 1912		27,287,752.30

WM. A. TILDEN, President
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GEORGE H. WILSON, Ass't Cashier
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We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES - Assistant Cashier

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EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
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WM. C. CUMMINGS



Mainly About Banks and Bankers

THOSE who will go over to Detroit may not have had their attention called to the fact that Detroit is one of the oldest cities in the United States.

IT was a hundred years old before Fort Dearborn was built in Chicago and antedates Buffalo, Cleveland and Milwaukee by from 110 to 125 years. It had figured in half a dozen wars under three different flags before it finally became an incorporated city of the United States. In 1805 Detroit was burned to the ground, but one house remaining standing. This enabled the city to be reconstructed on new lines and gave its growth an impulse which it has not lost. At that time the entire city was replatted under the present plan, which gives it wide avenues radiating from a central point, that point now being known as Grand Circus Park.

AT a distance of three miles from this central point there is a circular boulevard twelve miles in circumference, bounding the older city and separating it from the newer. The parks and boulevards have an area of nearly 1,300 acres. No other large city in the country has so many resort features. No other city in the country is provided with so many large and handsome boats nor with such a river with convenient lakes and islands to encourage the short excursionist. Great preparations have been made for the entertainment of the delegates to the American bankers convention next week.

HANSELL HILLYER, formerly assistant secretary of the Georgia bankers, but more recently connected with the Mechanics and Metals National of New York, is at business again after having undergone a successful operation for appendicitis.

EDWIN F. MACK, vice-president of the Central Trust Company of Illinois, will attend the Detroit convention and mingle with his former associates among the Michigan bankers. Mr. Mack is proud of the fact that he is a genuine Michigander.

COL. ROBERT J. LOWRY of Atlanta, who is to reply to the several addresses of welcome at the Detroit convention, recently has celebrated his fiftieth anniversary in the banking business. He also has completely refurnished and re-equipped the banking rooms of the Lowry National, which now has a capital of a million and surplus of a million and a quarter.

REPORT has it that the Hillyer Trust Company of Atlanta is to be enlarged as to its capital and to change its name to the Atlanta Trust Company. It appears to have been successful from the beginning.

FRANK O. WATTS now refers to St. Louis as the "home of my adoption." From all reports he has transferred his personal popularity in bulk to that city. No other banker is in such demand as an after-dinner speaker, and they have lowered his handicap

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

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Bankers Agents
Austin : Texas

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Some of the things we do:

Advise coming bond elections and value of property to be levied against. Furnish statements of Texas Banks. Take charge of all your Texas business. Furnish information of Texas corporations, value of stock, etc., etc.

References:

ANY BANK IN ANY CITY OF TEXAS

at the golf clubs regularly every Monday since he arrived.

WHEN Mr. Watts as president of the American Bankers Association came to attend the Illinois convention at Cairo he opened his short address with a story showing how almost impossible it is for a man to lose his early reputation.

MR. WATTS upon arriving in Cairo started immediately for the convention hall, and himself overheard one workingman calling to another, "Bill, there goes Watts, the baseball player."

IN his earlier days Mr. Watts had quite an interstate reputation as a pitcher for baseball teams. He has kept steadily at athletics and at present is rated among the very best golfers in the banking profession.

ONE of the strongest local organizations in the country at the present time is the Central Pennsylvania Bankers Association

which recently held its third annual convention at Ebensburg. The attendance was almost as large as at some state conventions.

PRESIDENT H. B. POWELL explains the motive for the organization as an "attempt on the part of the bankers of central Pennsylvania to eliminate unwise competition and thus to improve business." He points out that in some towns there is clean, healthful competition, which is only harmful to the extent that it prevents banks from taking better care of their customers and from making satisfactory profits for their stockholders.

ANOTHER purpose of the organization is the putting of a check on the further extension of loans on the part of borrowers who operate through a number of banks. The secretary of the organization is very active in securing data covering this phase of the subject, and the bankers believe that he is doing good work. The new president is M. I. McCreight of DuBois. At its very latest meeting the organization decided to take steps to create a credit information bureau for the protection of its members. Various plans have been submitted to its executive council.

MANY of the banks in and around Pittsburgh are having great success with the finger-print system of identification. Generally they are banks which are located in industrial locations, to which situation the finger-print system seems to be best adapted.

NOW that the Pomerene bill of lading bill has been adopted by congress substantially as endorsed by the American Bankers Association we all want to know what scheme Lewis E. Pierson can dig up again which will attract as much attention for as long a time as was given to the bill of lading question.

BRECKINRIDGE JONES of St. Louis will speak before the trust company section at Detroit, reminding it of its achievements during the past fifteen years. Mr. Jones frequently is referred to as the father of the section.

CLARENCE H. HOWARD is the new director of the Boatmen's Bank at St. Louis. He is president and principal owner of the Commonwealth Steel Company, and has a high personal and financial standing.

JOSEPH WAYNE, JR., of Philadelphia is home from a European trip in time to put his desk in shape before the Detroit convention. His name has been used quite liberally in connection with the chairmanship of the executive council.

WILLIAM J. BURNS' National Detective Agency has opened an office in Detroit in the Ford Building. Later on the agency will be located in the Dime Bank Building when it is completed.

RICHARD T. FORBES, president of the First National of St. Joseph, Mo., has made a reservation on the Chicago-Detroit (Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

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tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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CAPITAL - \$3,000,000.00

SURPLUS - 5,000,000.00

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

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Capital, \$1,500,000 Surplus, \$1,500,000

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ARE YOU MERELY "SATISFIED"—
With Your Chicago Correspondent?

OUR AIM IS TO BOTH PLEASE
AND SATISFY OUR CUSTOMERS!

Correspondence as to terms cordially invited

THE LIVE STOCK Exchange National BANK
OF CHICAGO

Bank Supervision Live Issue in Many States

Ever since the then president of the Iowa Bankers Association, E. J. Curtin of Decorah, made bank supervision the keynote of his address at the Cedar Rapids convention, it has been a live issue in Iowa. The Des Moines Daily Record, an able financial paper, has taken up the idea as a reform peculiarly needed and insistent in the state. In a recent issue a strong editorial was printed which states the position of the paper very ably. The Record says:

In such a progressive and enterprising state as Iowa it certainly is a paradox that private banking still is permitted. In this respect Iowa has not kept abreast of business progress with her sister states. Her banking laws in this respect are antiquated and weak. The private bank as a privileged institution, should be abolished and the state should exercise a supervision over all banks and financial institutions that solicit and receive money from the people on deposit or for investment purposes. Every community should be protected by the publicity which state supervision gives regarding the stability and resources of banks and financial institutions under its control.

The private bank is a quasi-public institution over which the state has the right to exercise supervision and control to the end that its patrons have ample protection, and its business affairs are conducted along safe and conservative lines. As it is, the patrons of the private bank have no means of knowing the class of securities held by the bank, or their value; or whether any reserve is maintained or not. They have no means of ascertaining whether the resources of the bank and their deposits are being used to finance the private enterprises and speculations of the owner, or not. They have nothing but the mere assertion of the banker to judge the stability of the bank by.

There are 331 private banks in this state that are handling millions of dollars belonging to the citizens of Iowa, and no one but the owners know anything about their real financial responsibility, or their methods of business.

This condition is a menace to the commercial interests of the state and the patrons of these institutions and the public are entitled to know how their business is being conducted, and are entitled to the protection that State supervision affords.

The coming session of the legislature should take cognizance of these conditions and give the business interests and citizens of this state the protection that they are entitled to.

The Daily Record has collected data which puts the reform in Iowa banking laws in a very favorable light. Among other things it is pointed out that in this "day of commercialism the word 'Bank' to the average citizen implies a corporate interest under some form of either federal or state control, that offers to the public a greater security than a firm name would give. It conveys at once the idea of an association of individual interests, where each, by safeguarding his own interest, is thereby giving a quasi-protection to the interests of all the others. It presumes an institu-

Iowa almost as deeply interested as Illinois in the question of state regulation and examination of all forms of banking not national.

Conditions in other states not all adjusted

tion whose business affairs are directed by the combined good judgment of a number of individuals and not wholly dependent upon the judgment of a single individual for its success. In short the word 'Bank' to the average citizen conveys the idea of security and protection greater than that of the individual or firm name. Hence the permitting of the use of the word by private and partnership interests is misleading and deceiving to the general public and should be prohibited by law.

"The legislature in Iowa (and other states) has prohibited the use of the word 'Trust' in connection with financial institutions not under the control or supervision of the state banking department, and such institutions had to either eliminate that word from their articles of incorporation, co-partnership agreements, signs and printed matter or else come under the supervision and control of the state banking laws. Why permit the use of the word 'Bank' and prohibit the use of the word 'Trust?' When it comes to misleading or deceiving the public the former is far more dangerous and pernicious than the latter.

"The records show that the bill originally intended to prohibit the use of both terms by individuals or unincorporated institutions not under state supervision, but in the senate a certain senator so strenuously opposed the prohibiting of the use of the word 'Bank' that it was finally dropped from the bill. This same senator was conducting 'Banks' of that character in the northwestern part of the state, hence his opposition. His death occurred shortly after the legislature adjourned and then was disclosed the true reason for his opposition. His estate and his banks were both insolvent and depositors and creditors lost heavily as the result.

"It would be impractical to put private banks under state supervision without reorganization, for the reason that it would be impossible for the state to examine and determine the financial responsibility by reason of the fact that the affairs of these banks are usually mixed up and complicated with all the private business interests of their owners, from moonshine mining stock to real estate scattered from the Florida Everglades to Manitoba and from Maine to Texas.

"What the state can do and what the coming session of the legislature should do, is to prohibit the use of the word 'Bank' the same as it has prohibited the use of the word 'Trust'; then the people would know at once that instead of depositing money in the 'Bank of Commerce' they were really depositing it with John Jones as an unincorporated, and unsupervised individual. The state does not permit the use of the words 'State,' 'Savings' or 'Trust' in connection with private financial in-

stitutions and to permit the continued use of the word 'Bank' is rank inconsistency and a fraud upon the public. The state of Wisconsin has a law of this kind for the protection of its citizens and so have many other states. Why should the great state of Iowa permit public deception to the detriment of its citizens and commercial interests? In these articles on private banking the Record does not wish to be understood as casting any reflections either directly or by inference upon the honesty and integrity of private bankers, nor to question their judgment or ability as financiers. It is the system and not the individual that we are objecting to. The system is antiquated, wrong and pernicious and should not longer be tolerated."

Much of the above is not new to readers of THE CHICAGO BANKER, which has been a persistent pioneer in the demand for supervised banking as the only kind a state should permit. It is timely, however, and the Record is welcomed to the small list of papers unafraid to advocate such a needed reform.

Indianapolis.—Harry L. Arnold, chief clerk in the bank department in the office of the auditor of state, has received an opinion from the United States attorney-general's office, in which it was held that private banks in Indiana may be used as depositories for United States postal savings banks. The opinion excepts Indiana from a large list of states where private banks are not permitted by the United States government to be used as such depositories.

When an opinion was delivered, several months ago, in which it was held that private banks could not be so used, Mr. Arnold took up the matter with the United States authorities, and showed that under the Indiana law the private banks are under supervision of the state the same as state banks, and that the average liability of owners of private banks was about \$150,000 to the bank. On this showing the attorney-general gave special permission for the Indiana private banks to be used as depositories.

The situation in Indiana shows one of the many advantages of state supervision. Indiana tried to blot out private banking but the privates beat every feature of the bill but supervision. Five or six of the ringleaders of the opposition promptly "failed" rather than face examination and there was a mild epidemic of suicides in the wake of it all.

Private banking will be prohibited by law in the state of Washington if the legislature enacts a measure to be proposed by State Bank Examiner Joseph L. Mohundro when the general assembly convenes next January. Mohundro is at work on the details of such an act, utilizing such time as can be spared from his examination work. But for the failure of the last legislature to adopt recommendations to stop or check private unsupervised banking, such a catastrophe as occurred at La Conner would have been out of the question. Two other private bank failures that have contributed to the public sentiment on the subject were the cases at Republic and Kettle Falls last year.

"After the failure of the La Conner bank

The Fourth National Bank Of the City of New York

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CHAS. H. PATTERSON
Vice-President
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Vice-President
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Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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T. S. MORRISON
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JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

and the almost complete loss of the \$300,000 or so deposits held by it, I do not believe the people of Skagit county will oppose a measure that will compel private banks to convert into state or national institutions or go out of business," said Mr. Mohundro. "The failure was entirely outside the domain of the state banking department. I have been told that the depositors will probably receive less than 5 cents on the dollar. It was the worst bank failure in the history of the state."

The Arkansas Bankers Association at its twenty-second annual convention at Little Rock, May 28th and 29th, went on record as being unanimously in favor of a bill for the supervision, regulation and inspection of banks in Arkansas. The leaders in the movement for a "safe and sane" banking law stated that Arkansas is at the mercy of "wild-cat" banking methods and that if the bankers do not write a bill supervising the banking business, the people of the state, through the initiative and referendum amendment, will write one of their own so drastic, in all probability, as to drive many banks out of business.

In his annual address, President J. M. Barker of Atkins made a plea for bank supervision in this state, and said that he felt it to be the duty of the association to bring about the improvement of conditions, if possible.

Bank supervision will hold the center of the stage at the Peoria convention in Illinois the fourth week in September. President B. F. Harris started a supervision movement at Cairo two years ago when he reported as chairman of the executive council. The opposition has been bitter but probably futile, for a large majority of the privates, have voted by mail-ballot indorsing the course of Mr. Harris, who at one point was voted down by a rigged-up majority of the council. This was possible by the present intolerable system whereby the ex-presidents remain on the council for life. Those opposed to bank supervision always attend the sessions. Another attempt to take back the management of the association from the hands of the combination of "exes" and privates will be made at Peoria. The session will be an interesting one.

Cook County Private Bankers Association

On Thursday evening of last week an organization of bankers known as the Cook County Private Bankers Association held an important conference in this city. The association has been organized for some time and is under the presidency of Albert Haentz of 3198 Milwaukee Avenue. M. C. Schiff of 1219 S. Kedzie Avenue is the treasurer, while Secretary Glasser has been looking after the details.

The organization came into existence at about the time that bank supervision became a public issue in this state. It now has eighty members all told, of which more than fifty were present at the last conference. It is reported that among the speakers at the last meeting was none other than B. F. Harris, president of the Illinois Bankers Association, and chief advocate for supervision. It was said that Mr. Harris was invited that the members of the association might have at first hand his idea of the situation and what is to be accomplished. Many questions were asked and answered with apparent satisfaction, inasmuch as at the close of the meeting a special committee of five was appointed to attend the Peoria convention and look after the interests of the association. It appears from general report that this organization is not fighting against supervision, but is looking for conservative terms, and is said to be well satisfied with the report of the Dawes committee on that subject.

Many down-state private bankers have been sending out letters to other private bankers in the state, most of them having been mailed through the secretary's office in the Rookery. The purport of these letters is "protection" for the private banker and his interests. It is charged by them that the movement will be retroactive, and that if supervision is adopted

deposit guaranty will attach to it. This probably is intended to frighten the advocates of supervision into believing that they are not to be treated fairly. All of these questions will, no doubt, be answered at the Peoria convention, and if the Cook county organization of private bankers indicates its willingness to accept a fair supervision bill, it will go very far toward disarming the opposition, which can see nothing in supervision except an attack upon their business interests.

PRIVATE BANKERS OF OHIO DEFER CAMPAIGN

Private bankers of Ohio, who planned a vigorous campaign to prevent the passage of the proposed constitutional amendment prohibiting the use of the word "bank" or "banking," except by institutions under federal or state supervision, have decided to defer their fight. The amendment proposed simply gives the legislature authority to pass a law, establishing the prohibition, and if approved by the people, the private bankers will carry their fight before the assembly. They are hopeful of success, since the proposition has been frequently urged in the assembly but has never been passed.

Superintendent Baxter, of the state department, while believing that the general principle of bank supervision must be extended and developed, admits that if the prohibition proposed is established, some well-managed private banks will suffer. He says:

"There are many of these private banks which are as safe as any bank with state supervision, but unless their affairs are open to inspection there is no assurance that they will not be insolvent at some time, although they may run along for a number of years with not enough good securities to meet their obligations if pushed for settlement."

Mr. Baxter is emphatic in saying this condition does not prevail in all private banks.

About half of the 225 privately owned banks of the state are friendly to the department and send in regular reports of their condition. Many of these would incorporate if the prohibition were adopted by the state. The requirement that an incorporated bank must have at least \$25,000 capital stock would probably prevent some of these from doing that, however.

The proposed amendment is largely directed at the loan agencies, steamship offices and other establishments of this class which use the word bank and in many instances have destroyed its significance. Further than this the provision is intended to protect foreigners against certain of their countrymen who es-

Short Term Securities

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations.

Such securities, particularly of the larger issues, also usually command a ready market and are not subject to extreme fluctuations in price.

Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

Ask for Booklet S-724

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$ 23,000,000.00
Deposits - - - 190,000,000.00



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits . . . 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

establish private banks for the purpose of obtaining the money of their people who seem to lack confidence in American banks. Private bankers are one in the opinion that these foreign banks deserve no protection and the private banking institution as a class should not be banished because of an unprincipled alien banker.

The stockholders of national banks are liable for double the amount of their stock. Partners in a private banking concern have unlimited liability. The creditors of their institution must be paid in full if it requires every cent of asset each member of the firm possesses.

TO INSPECT CANADA BANKS

Ottawa, Ont., September 2d.—The cardinal feature of the new bank act to be introduced at the coming session of parliament will be a provision for outside, but non-governmental bank inspection in addition to the present regular inspection by the banks' own inspectors. The proposal is to compel each bank to have an independent inspection at regular intervals by accounting experts. The government has decided to adopt this principle in lieu of the proposed system of regular inspections by government officials which would involve practically a government guarantee as to the solvency of each bank and the correctness of its published statements.

The minister of finance does not believe that a government audit is wise nor does the bankers association approve of so radical a measure. But it is believed necessary to provide an additional safeguard against inadequate inspection and to insure against fraudulent statements of a bank's affairs.

PRIVATE BANKS MUST REPORT

An imperative notice from State Comptroller Sohmer of New York to all private bankers licensed by him to do business to report the amount of their assets and liabilities, "preferably as of September 1st, and in no case as of earlier date," was issued on Friday. These reports are to be filed within ten days of September 1st.

The Citizens National Bank of Prairie Grove, Ark., has been chartered; capital \$30,000. W. H. Mack is president, W. W. Carl vice-president and M. M. Collier secretary-treasurer.

WILLIAM G. EDENS RETURNS FROM THE WEST

William G. Edens, assistant secretary of the Central Trust Company of Illinois, returned to the city this week after an extended tour through the West. Speaking in regard to the general situation in that section of the country, Mr. Edens said:

"Crop conditions in Iowa, Nebraska, Kansas, Colorado and Utah never appeared better. The railroads will be put to a severe test to furnish adequate facilities for the handling of the crops. While general business conditions are quiet, yet everybody feels hopeful about the future, and the promise of bumper crops gives a confident tone to the westerners' expressions. I had an opportunity to visit the banking quarters of the big Denver, Pueblo and Salt Lake institutions, and was much surprised at the substantial improvement in the way of bank buildings in these important cities during the few years since I last visited the West. The palatial home of the First National of Denver is a great credit to the city of Denver and to this important financial institution, while the modern banking quarters of the Walker Brothers at Salt Lake, now nearing completion, and whose building has been a record-breaker, compare favorably with the quarters occupied by the older and stronger institutions of the larger eastern cities. Both Denver and Salt Lake show evidences of important growth and pros-

perity. Sugar beet and fruit growers of Colorado and Utah, as well as those engaged in general agricultural pursuits, should reap a rich harvest from their crops this year, as fields and orchards, under a successful system of irrigation, show the greatest crops ever produced in these states. Of course, owners are apprehensive as to the prices at which these crops will be marketed. With the wonderful resources of the West and the natural beauty and attractiveness of their mountain scenery, people are enthusiastic about the movement to "See America First." Every resident is a booster. The interest in road development and improvement is general. All classes of citizens are contributing time and energy to this work. The use of prison labor in both the states of Colorado and Utah has produced wonderful results in a comparatively short time. The Colorado example, where Warden Thomas B. Tynan of the Canon City state prison has built one thousand miles of roads with prison labor in the comparatively short time of three years, and with a minimum expense to the state, is having its influence, not only on the neighboring states to Colorado, but is being commented upon favorably by people interested in good roads throughout the entire country, and will in time, I believe, cause the authorities in the older states to adopt the Tynan system of working convicts on the public highways and under the honor system. The influence on the convict, having the opportunity to work out-of-doors rather than behind prison walls, is one which produces good results in the matter of preparing him for his return to citizenship. I consider the acceptance on the part of Warden Tynan to address our good roads convention at Peoria on September 27th, fortunate for our Illinois people who will attend this meeting. The pictures which Mr. Tynan exhibits in connection with his lecture are made by the best moving picture experts in the country and are descriptive of good roads making by prison labor, showing the men at work and their camps where they are domiciled, and giving many beautiful views of the wonderful mountain scenery of Colorado."

Andrew Cooke, formerly vice-president of the Harris Trust and Savings Bank, Chicago, has joined the bond firm of H. T. Holtz & Co., which hereafter will do business under the name of Cooke, Holtz & Co.

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BANKING WILL BE PROFITABLE

The National City Bank of Chicago in its circular for September says:

"From present indications, it is safe to assume that the banks will enjoy very fair prosperity during the balance of the year. They will almost certainly receive a much more profitable interest rate for the money which they have to lend. The banks throughout the crop districts are already pretty well loaned up, but their position is unusually sound for the reason that their money is employed in very safe undertakings and the indications are that their customers will enjoy increased prosperity through the abundant harvests. Within the last few weeks there has been a further shifting of investments by the banks, and the demand for money from mercantile sources has enlarged to such an extent as to force many banking institutions to convert securities into cash, so as to build up their reserve account and place their affairs in position to make heavy advances to their customers in the near future. This is altogether a healthful condition of affairs."

BANKS SHIP OUT CASH

Chicago banks shipped \$14,500,000 in currency to country points during August, a smaller amount than was suggested in the estimates. They drew on New York for cash for the first time since March, taking \$1,800,000 from that center and the subtreasury. Other currency receipts from direct shipping sources amounted to \$7,679,000. The excess shipments of cash during the month were a little more than \$5,000,000. While shipments of cash into the crop-moving districts were only slightly larger than those of July, the receipts from western shipping points were about \$4,500,000 less.

In the eight months ended with August local banks shipped more than \$105,000,000 in currency. This amount is nearly \$30,000,000 more than their total receipts of currency from all outside shipping sources.

It is to be expected that much larger ship-

ments will have to be made this month to western centers on account of the marketing of the crops. It is believed that the crops of the Northwest will be moved as soon as possible this fall because of the partial failures and the consequent scarcity of money in some states during the past two years.

NEW OFFICERS TRANS-MISSISSIPPI COMMERCIAL CONGRESS

Salt Lake City, Utah.—James H. Brady, former governor of Idaho, was elected president, and Wichita, Kan., was decided upon for the next meeting place of the Trans-Mississippi Commercial congress last Thursday. The congress went on record as advocating a federal appropriation of \$5,000,000 in aid of the Panama-Pacific exposition at San Francisco and \$1,000,000 to assist the San Diego exposition in 1915.

BANKING BUSINESS FLOURISHING IN ALABAMA

Alabama must be in a flourishing financial shape, if the amount of new capital invested in banks may be taken as an indicator. The state banking department at Montgomery has granted the application of the Jefferson County Savings Bank, of Birmingham, for an increase of capital stock from \$200,000 to \$500,000. It is understood the bank at once will begin the erection of a sixteen-story skyscraper. Information has reached the department also that a new private bank is to be organized in Birmingham with a capital of \$50,000. An application for a bank at Madrid, Houston county, has been filed. The bank will have an authorized capital of \$15,000, but will begin business with \$10,000 capital subscribed. Those interested are Ed. Watford, Horace Dowling and Green Watford. The Merchants and Farmers Bank of Notasulga also was recently organized.

The Farmers and Merchants State Bank, Amery, Wis., has increased its capital from \$15,000 to \$25,000.

WENATCHEE BANKS WILL BE BUSY

It is estimated that 5,000 carloads of fruit will be shipped from Wenatchee this season. This year's apple crop will be practically double that of last year, and 50 per cent larger than any previous season. This increased output is largely due to a larger acreage. The Great Northern Railroad has planned to handle 100 cars a day, more than twice the number of any previous year. This spells a busy time for the Wenatchee banks between now and New Year's.

SARDIS BANK CLOSED

The Bank of Sardis, at Sardis, in Mason county, Ky., recently closed its doors, placing its affairs in the hands of the state banking commission at Frankfort. The bank was organized in 1903 with a capitalization of \$15,000. Examiner John Chepault went to Sardis to investigate the matter and J. Banks Durrett, of the Standard Bank of Maysville, Ky., subsequently was appointed special commissioner to take charge of and wind up the affairs of the defunct institution.

BANK CLEARINGS FOR AUGUST

Bank clearings during the month of August, according to the statement compiled by R. G. Dun & Co., which includes returns from one hundred and twenty-eight cities in the United States, again make a very satisfactory comparison with preceding years, the total aggregating \$13,192,122,669, an increase of 4.6 per cent compared with a year ago and 14.7 per cent compared with the corresponding month in 1910. The gratifying feature is the large increase reported at almost every important center, and the substantial expansion over both years by every section into which the statement is divided. New York City reports a gain of 1.4 per cent over last year and 15.8 per cent over 1910, although transactions in the speculative markets during August were of comparatively reduced volume.

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James K. Lynch on Banking Possibilities of the West

San Francisco financier forecasts the future of both slopes of the Rockies before the junior bankers at the Salt Lake convention of the A. I. B.

Mr. Lynch is head of the San Francisco Clearing House and the active vice-president of one of her largest banks. He is an eloquent speaker and paid a high tribute to the Far West in detailing her glories, her beauties, her resources and productiveness. Nothing much was overlooked that might make an inhabitant of either slope of the Rockies, feel proud of his country. Following his brilliant opening Mr. Lynch said in part:

Although addressing an audience of bankers, I may be pardoned if I take a moment to recall to you the nature of capital and of that most misleading term—money. I have sometimes thought that if we—all of us—bankers, and the whole community, understood clearly what money is, and also what it is not, the trouble of the banker would be over. Certainly that portion of them caused by hampering legislation, and by the unreasonable demands of depositors, would cease, and that is a very large part of the whole. Gold coin is to-day money throughout the civilized world. Silver is still money in some countries, and for a restricted use it is everywhere money, just as copper, for a still more restricted use, is money. Treasury notes, bank notes and bank deposits are not money; they are promises to pay money; or, in more exact sense they are commodities, valued in money, measured against gold, the place of the commodities being temporarily taken by paper tokens, or the tale of them recorded on the books of a bank.

When a drove of steers, or a cargo of wheat, or a train-load of machinery is sold, it is not exchanged for gold coin and the gold then deposited in bank. What happens is that the beef, or the wheat, or the machinery is measured against gold coin at the market price of the day, and a memorandum of the value in the form of a check is taken to the bank and recorded on its books. It is true that minor trades are still made in which money is exchanged for commodities and that, occasionally, comparatively large transactions of this kind take place. It is also true, as our depositors sometimes tell us, that instead of depositing a check in bank they can collect it in coin, but this is only true if, as is normally the case, but a very small portion of the community cares to do so. Less than ten per cent of the bank deposits throughout the country are made in money, and in most places the percentage is not over five, so that, in order to get on a strictly cash basis, as some of our legislators think we ought to do, the industrial, manufacturing and commercial activities of the country should be reduced by nearly ninety per cent.

The great amounts of capital invested in promissory notes, mortgages and bonds, payable in gold coin or lawful money of the United States, (which is only a promise to pay gold coin) can never be so repaid, for the very good reason that nowhere in the world does there exist a store of gold sufficient to pay them. It is equally true that there is no need for so repaying them; they represent in the last analysis orders for commodities valued against gold coin, and it is commodities, which we can

consume, or use, or enjoy, that we require, not gold which brings us riches only when we part with it. Gold has, and will continue to have, its uses, not only as a measure of value, but as a concentrated and portable form of wealth, available for international exchanges and to meet the demands of those who cannot realize wealth in any other form. It is reserve money in the true sense of the word reserve, and should be behind issues of credit notes circulating as money in a proportion that experience has pretty definitely determined. The banker's greatest trouble comes when, through unreasoning fear for the safety of his deposit, the depositor demands that the banker transmute paper evidence of wealth into gold coin.

I have said that the country that consumes what it produces, that burns its own smoke, so to speak, gives but small field for the banker. Let us see what is the exact service which the banker renders, and why it is that the Money Devil has been not only permitted to exist, but actually welcomed, in so many primitive Edens. The process is instructive, and I will venture to relate an experience familiar to any one raised in the West, which epitomizes the evolution of the bank.

An isolated and sparsely settled region is served by a general merchandising store, the goods being hauled in by teams. The inhabitants, having but little cash, bring in surplus produce which they exchange at the store for groceries and dry goods. This is the primitive barter, and the produce furnishes freight for the wagons as they return for more goods. Some of the settlers bring in produce exceeding in value the goods that they carry away; the merchant values the surplus produce in money, and credits the customer on his books with the value. This is sale, and at the same time this transaction is the beginning from which a bank may develop. If the country is productive, the thrifty farmers find their cred-

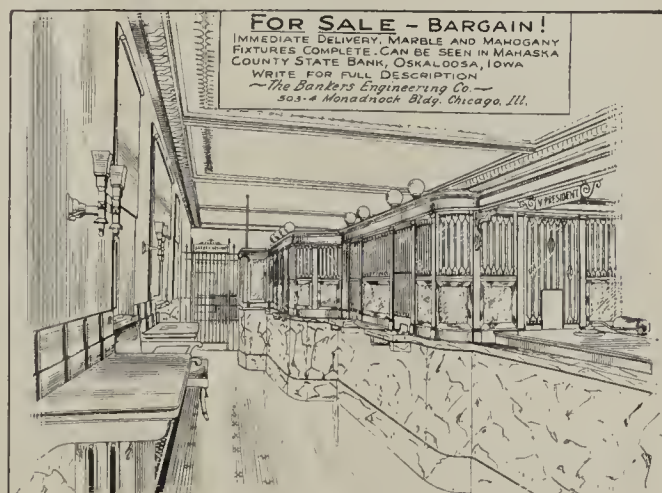
its growing beyond their purchasing requirements at the store, and they give orders on the merchant in exchange for labor performed, or live stock purchased, which are paid in merchandise or entered to the credit of their holder. Here is the beginning of the check system.

As the community grows, the products far exceed the outside purchases; a railroad is needed to haul the produce away, and about the same time the people conclude that they need a bank. Quite naturally the merchant who has prospered, and has begun to make an occasional loan, decides to give up his merchandising, and become a banker. In fact, he is a banker already, for he has developed the credit system, produce valued in money and the amount noted on his books; the check system by which the credit is transferred to others, and the loan system by which a portion of the unused credit is hired to those who can use it temporarily. When a real bank is opened the real money in the safe will be a detail hardly more important than the grille and the plate glass. The essentials of the bank existed in a corner of the country store.

The railroad beings in merchandise and carries the produce, according to its nature, to all parts of the country; perhaps it starts it on its way to the most distant parts of the earth. This it does through connecting railroads, or connecting water carriers. But each transfer of produce or merchandise involves a transfer of credit, which it is the bank's business to handle, either directly or through corresponding banks. It may be a crate of eggs, or a ship-load of wheat; the credit which is produced is noted with equal care and transferred and accounted for with equal fidelity. The Money Devil is welcome because he is a friendly and a useful devil, doing important work for small pay. Perhaps it would be better to call him a Credit Devil, for the collection of credit is really his chief occupation. Odds and ends of credit, savings, the margin between cost of production and selling price, or the balance of income in excess of living expenses, become capital, and are available for enterprises of all kinds, when assembled in the ledgers of the bank.

The banks are to-day in much the same position regarding the exchange of credits as the railroads were in the time referred to as to the exchange of freight. The banks require to get to a standard gauge, and they must require a Union Depot in the form of a central reserve association, if they are to properly perform their function of the transfer of credit, economically and expeditiously to those parts of the country where it is required. Less fortunate than the railroads, the banks have to receive permission from the central law making power before they can acquire the machinery that will enable them to give the country the service which it requires. But the case is so plain that the country itself must soon understand both the need and the method of meeting it; then, and not till then, we may hope for proper legislation. Here is a field in which the men of the

(Continued on page 28)





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ILLINOIS BANKING NEWS

The stockholders of the new Farmers State Bank, which will open in Findlay early in September, have completed the organization through the election of the following directors: Thomas Fleming, Arch Atkinson, Samuel Parr, J. C. Westervelt and W. S. Middlesworth. The directors have elected the following named officers: President, Thomas Fleming; vice-president, Samuel Parr; cashier, F. C. Westervelt. The bank will occupy a new building, erected especially for the accommodation of the new institution.

New Bank Absorbs Old

A threatened banking war in Medora was averted by the Bank of Medora, established thirty-five years, selling to the Farmers State Bank of Medora, recently organized. A. L. Carter is president of the new bank and L. W. Craig cashier. Its sixty stockholders are business men and farmers. The new bank will open for business the middle of September.

Fourth Bank for Olney

Announcement has been made of the completion of the organization of a new bank, which will be the fourth bank for Olney. The new bank has chosen for directors William Parker, now president of the Bank of Parkersburg, John B. Porter, W. L. Hart, J. S. Brown of Bridgeport, and H. R. Fields. The executive officers chosen are: president, William Parker; vice-president, H. R. Fields; cashier, J. S. Brown.

For Good Roads

The Bank of Rushville has arranged for the distribution by mail to the farmers of Schuyler county of over two thousand copies of government Bulletin, No. 321, relative to the use of King's Split Log Drag for highway improvement. This bank has gone to some expense and trouble in arranging this distribution and it is hoped that those who receive this document will read it carefully and use their best efforts to encourage the use of the Split Log Drag in their community. The subject of good roads is of vital importance to our county and it is believed that a vast amount of good can be done with economy, by the systematic use of the Split Log Drag.

To save and build up soil fertility is a subject in which increasing interest is manifested, and the Bank of Rushville has, also, arranged for a supply of a number of valuable docu-

ments on this subject which are offered for free distribution to those who call for them. Market reports, as well as agricultural and live stock weekly papers can usually be found on the customers' desk of this bank.

Illinois Notes

Benjamin James West, retired merchant and banker, of Belleville, Ill., recently celebrated his 100th birthday anniversary. Mr. West was born at Fincastle, Va.

W. S. Hardesty has accepted the position as assistant cashier of the First National Bank at Norris City, Ill.

Chester Corey

Chester Corey has been appointed manager of the corporation department of the Harris Trust and Savings Bank of this city, to succeed Andrew Cooke, vice-president, who resigned to become senior member of the firm of Cooke, Holtz & Co. Mr. Corey has been with the Harris organization for the past nineteen years.

SUES HEAD OF PRIVATE BANK

J. W. Worthington, head of the American Bank of Chicago, was made defendant in a suit for \$50,000 filed in the circuit court Tuesday by N. J. Eisendrath, engaged in the millinery business at 81 East Madison Street. Only the praecipe in the suit was filed, but according to Attorney D. S. Eisendrath the action is for an alleged libelous statement made by Worthington which he says hurt the credit of his client.

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WILSON TALKS ON IMMIGRATION

Governor Wilson, in talking to the editors of various foreign papers published in New York City, this week declared himself in favor of barring that class of immigrants who are induced to come to this country by the steamship companies. He believes that only those who come voluntarily ought to be admitted and allowed to compete in the field of labor; that if they are allowed to come in unrestricted there is going to be everything which will be detrimental to the community as well as to the immigrant. He believes that the government ought to endeavor to prevent such a situation.

BANK PRESIDENT SELLS CONTROL

Bend, Ore.—L. B. Baird, president and chief owner of the Deschutes Banking and Trust Company, has sold to S. Morris Lara and E. M. Lara, the latter of whom has been and will remain cashier. Mr. Baird, after a brief visit to Portland, will go to Medicine Hat, in Alberta.

The Swisher (Iowa) Savings Bank, with a capital stock of \$15,000, and with prominent Cedar Rapids and Swisher people as stockholders, directors and officers, has filed articles of incorporation. John P. Marak is president; Louis Wokoun, of Cedar Rapids, vice-president, and Stephen Pudil, cashier.

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FOURTH NATIONAL CIRCULAR

Referring to the hardening in money rates the Fourth National Bank, New York, in its September circular says:

"With the revival in business that has taken place the banks are finding it again profitable to use their money in industrial channels and with that end in view they are reducing their security holdings and diverting the proceeds of such sales along the lines indicated.

"Advices from all the leading markets confirm what was said in our letter of August 1st about the disinclination of business men to become alarmed over the possible complications of the campaign. Merchants are going ahead with their operations in spite of politics, and the better showing made by the railroads—the gain in net earnings reported by many roads for July being a most encouraging feature—emphasizes the greater activity in general business and the increased prosperity that the whole country is now enjoying. There is every reason to expect that this expansion will continue, since the presidential campaign is not a disturbing factor in the business situation and there are no grounds for expecting that it will be. The grain movement will soon be in full swing and with the gradual return of funds to the reserve centers from the crop districts even further recovery in business may be looked for.

"Building operations in various sections are being taken up again in a large way, there being plenty of capital available for legitimate operations of this character. In many of the smaller cities the building industry is showing pronounced activity, while at the great centers of population some immense projects are being put through. These will call for a great deal of money later on but undoubtedly the capital will be readily supplied, since there is no building or land craze this year for the bankers of the country to become alarmed about."

NEW BANK AT SIDNEY, ARK.

Imboden, Ark.—The organization of a new bank at Sidney, Sharp county, has been completed, and the following officers and directors elected: President, J. P. Bone; cashier, Benjamin Yeager; directors, S. T. Harmon, A. B. Arn, C. M. Grisam, F. M. Battles, J. D. Cargill and B. F. Oliver. The bank is capitalized at \$10,000 and will be known as the Bank of Sidney. It will open for business in September.

Kentucky Convention

The twentieth annual convention of the Kentucky Bankers Association will be held at Louisville, October 2d and 3d. Secretary Arch B. Davis announces that the program is complete in every detail. Headquarters will be in the Henry Watterson Hotel. The business sessions will be held in convention hall on the tenth floor. Delegates are urged to register as early as possible after their arrival in the city. Headquarters will be opened at seven o'clock on the evening of October 1st, where delegates will receive badges and other credentials immediately after registering. As a number of conventions are to be held in Louisville at the time the bankers hold theirs, delegates are urged to make their hotel reservations early. The secretary will personally make reservations for members who request him to do so until within two days of the convention.

The address of welcome will be delivered by R. Thurston Ballard, vice-president of the Louisville National Banking Company, and the response will be made by the Hon. B. M. Arnett, cashier Farmers Exchange Bank, Nicholasville. Among those who will speak at the convention are the Hon. P. B. Miller, director and attorney, Bank of Union County, Morganfield, who will talk on the relation of the banker

to money, morals and happiness; C. R. McKay, manager of the First National, Chicago, on "Items in Transit;" R. N. Cook, cashier Farmers Bank and Trust Company, Bardstonsville, on "The Law of Good Neighborship Among Bankers and the People;" the Hon. E. S. Clarke, president Citizens Bank, Falmouth, will talk on "Are Savings Departments Profitable to Interior Banks?" and J. E. Buckingham, cashier of the Paintsville National Bank, will address the delegates on trials of the interior banker.

Members and guests will be entertained by the members of the Louisville Clearing House Association at a luncheon to be served in the main dining room of the Henry Watterson Hotel at noon the first day. There also will be a boat ride on the afternoon of the first day. A band has been engaged for the occasion, and there will be music, dancing and singing. A fish supper will be served on the boat. The return will be made at 7:30, after which the delegates and visitors will be further entertained at one of the local theatres.

Secretary Davis reports that the membership now is the largest in the history of the association, and it is expected that fully 600 bankers will be in attendance at the convention.

NATIONAL BANKS

The comptroller of the currency has announced that during the month of August, 1912, thirteen applications to organize national banks were received. Of the applications pending twenty-three were approved and three rejected. In the same month fifteen banks with total capital of \$495,000 were authorized to begin business, of which number eleven with a capital of \$295,000 had individual capital of less than \$50,000, and four with capital of \$200,000, individual capital of \$50,000 or over.

On August 31, 1912, the total number of national banks organized was 10,250, of which 2,840 had discontinued business, leaving in existence 7,410 banks with authorized capital of \$1,056,575,435 and circulation outstanding secured by bonds \$723,905,556. The total amount of national bank circulation outstanding was \$746,501,307, of which \$22,595,751 was covered by lawful money of a like amount deposited with the treasurer of the United States on account of liquidating and insolvent banks and associations which had reduced their circulation.

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The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The ladies will be much in evidence among the Wisconsin contingent at the Detroit convention of the A. B. A. next week, many of them accompanying their husbands on the Wisconsin special over the Michigan Central road which leaves Milwaukee early Monday morning. Those who have already made reservations on the special include Messrs. and Mesdames J. T. Joyce, Eau Claire; E. A. Dow, Plymouth; F. J. Carr, Hudson; E. M. Wing, LaCrosse; G. N. Pratt, Racine; C. E. Gibson, Clintonville; J. J. Jamieson, Shullsburg; D. G. Wells, DePere; R. Southworth, Mondovi; J. G. Liver, Hartford; W. J. Paulson, Chilton; O. D. Ballschmider, Sheboygan Falls; C. B. Melby, Whitehall; W. E. Sprecher, Independence; A. H. Wilkinson, Bayfield; F. W. Humphrey, Shawano; G. D. Bartlett, Milwaukee; J. J. Sherman, Appleton; A. J. Frame, Waukesha; O. D. Ellis, West Allis; L. J. Breylinger, Monticello; and E. A. Farmer, Milwaukee; Messrs. E. J. Hughes, E. A. Reddeman, Walter Kasten, all of Milwaukee; W. J. Davis, Racine; H. J. Brown, Marinette; Merton Fish, Footville; A. H. Grout, Wausau; and A. Meinhardt, Burlington.

Merchants and Manufacturers Bank in New Building

Wednesday morning saw the Merchants and Manufacturers Bank ensconced in their new eight-story building on West Water Street, between Grand Avenue and Oneida streets. A sequence of legal holidays, Sunday, Labor day, and primary election day, favored the

plans of the officers for the transfer and the moving was completed by Tuesday night. The bank is the first of the tenants to occupy the building, the upper floors still not being quite complete although the contractors promise they will be ready for occupancy on October 1st. The building is a material addition from a standpoint of both appearance and increased office facilities to the west side business section. It is a thoroughly modern structure, eight stories high and 85 by 135 ground measurement. The exterior is faced with glazed terra cotta and enamel brick. The first floor is arranged to accommodate the quarters of the bank as well as two stores. The imposing entrance corridor is finished in white marble and mosaic work and the banking rooms in white marble and African mahogany. The upper floors are being finished in the same manner for office purposes. There will be 250 of these. The construction work has occupied less than a year, commencing on October 1, 1911, and the cost of the building is about \$300,000.

The present officers and directors are: president, L. M. Alexander; vice-presidents, W. F. Myers and W. S. Paddock; cashier, E. C. Knoernschild; assistant cashiers, B. V. Dela Hunt and A. Froede, Jr.; directors, L. M. Alexander, H. P. Andrae, Fred Doepke, Nathanael Greene, E. C. Knoernschild, W. F. Myers, W. S. Paddock, Judson G. Rosebush, H. W. Schwab, F. J. Wood and T. H. Spence. The bank was organized on July 20, 1906, with a capital of \$100,000 and has increased

that amount, in its short history, to \$250,000, with a present surplus of \$33,500.

Milwaukee National in Voluntary Liquidation

Application has been made to the comptroller of currency to place the Milwaukee National Bank in voluntary liquidation under the provisions of the national banking law. The procedure is a formality consequent upon the purchase of the bank by the First National a month ago.

B. V. Dela Hunt with Merchants and Manufacturers Bank

B. V. Dela Hunt, for twenty-four years connected with the old Milwaukee National Bank, has been elected assistant cashier of the Merchants and Manufacturers Bank, his appointment going into effect when the bank opened the doors of its new headquarters. Mr. Dela Hunt was born in Milwaukee and has spent the major portion of his life here. He entered the Milwaukee National as a messenger and was assistant cashier when that institution was absorbed by the First National.

Milwaukee Notes

T. H. Spence of the law firm of Quarles, Spence & Quarles, has been elected a director of the Merchants and Manufacturers Bank to fill the vacancy created by the resignation of J. F. Conant, who recently moved to Two Rivers, Wis.

Acquiescing to the request of W. G. McAdoo, vice-chairman of the national Demo-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

cratic campaign committee, the Marine National Bank has consented to be a depository for funds subscribed in the national presidential campaign. Although the idea of enlisting the services of the banks originated with the Democratic committee subscriptions for all parties will be handled.

President L. J. Petit and Cashier Lyman G. Bournique of the Wisconsin National have been appointed on the executive and house committees, respectively, of the Oconomowoc Country Club, in whose activities they are prominent.

Wisconsin Proceedings Book Out

Members of the Wisconsin Bankers Association received bulky packages from Secretary George D. Bartlett this week, consisting of the detailed report of the recent convention. The report is neatly gotten up and comprises an exhaustive source of information on Wisconsin bankdom and what is transpiring therein.

Agricultural Committee Holds Meeting

Officers and members of the agricultural committee of the W. B. A. met at Grand Rapids Thursday to lay out a program of activity for the coming year. The following cities have already entered the contest promoted this year by the association: Clinton, Oconomowoc, Columbus, Montford, Waupun, Fond du Lac, Hancock, Shawano, Grand Rapids, Wittenberg, Stratford, Eau Claire, Downing, Elk Mound and Shell Lake.

MAY OPEN WESTERN BRANCH

Salt Lake City, September 4.—It is understood that the Philadelphia Trust Company, of Philadelphia, will open an account and keep a credit balance in this city in order to have its checks collected at this point at par. It is also rumored that the step may look toward the establishment here of a branch. It is held that the object of the Philadelphia Trust Company is to get eastern banks to make deposits with it, offering as an inducement to collect their items in this vicinity at par. Under the rules of the Salt Lake Clearing House Association all local and state checks indorsed outside of the states of Utah, Idaho, Montana and Wyoming, and received here for collection and remittance, are taxed one-tenth of 1 per cent. By depositing in Salt Lake or opening a branch here the Philadelphia Trust Company will eliminate this charge.

BANK LAW CHANGE DESIRED

Oklahoma City, Okla., September 4.—That the state bankers of Oklahoma are not entirely satisfied with the bank guaranty law has become evident since the bankers' convention recently held in Oklahoma City. A concerted effort is being made to create a sentiment in favor of transferring the cost of keeping the guaranty fund intact from the bankers to the paying public.

The bankers argue that the guaranty law is for the protection of the entire public, and if the public want the protection they should be willing to pay the premium. As the law is, each state banker is assessed a per cent upon his deposits annually, and in addition is subject to an additional assessment whenever the guaranty fund is depleted below a fixed amount.

VETERAN BANKER RETIRES

San Antonio, Tex., September 4.—George W. Brackenridge, San Antonio's foremost banker and philanthropist, has resigned the presidency of the San Antonio National Bank and the San Antonio Loan and Trust Company. Following the formal resignation of Mr. Brackenridge a statement was issued that Leroy G. Denman would be chairman of the bank board and president of the trust company and that Ferdinand Herff would be president of the bank. Mr. Brackenridge still maintains his directorship in both the bank and the trust company, and this position he will resign in the near future. Following this a new director will be named. Leroy G. Denman announced the election of William L. Herff to the directorate of the trust company, succeeding to the vacancy brought about through the death of his father, the late Dr. Ferdinand Herff, Sr.

Beattyville, Ky., September 3.—The Peoples Exchange Bank, with \$15,000 capital, was organized and began business here to-day with the following officers: T. C. Johnson, commonwealth attorney, president; Dr. J. H. Evans, vice-president; Logan Thomas, cashier.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres. R. F. WARFIELD, Cashier
CHAS. C. CARTER, Asst. Cash. F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

LOS ANGELES BANKS FORCED TO PAY INTEREST

In its financial letter the American National Bank of San Francisco says an interesting situation has developed in Los Angeles, where the clearing house banks, finding that the savings banks and trust companies were attracting too large a proportion of depositors' money, have determined to counteract this tendency by offering to pay interest on time certificates of deposit. During the past two years in that city the individual checking accounts in national banks and in the commercial departments of state banks have increased only \$12,000,000, while deposits in savings banks have increased \$25,000,000. What is true of Los Angeles is to some extent, though less markedly, true of all California.

MASSACHUSETTS BANK SUSPENDS PAYMENTS

State bank authorities have taken possession of the New Bedford Co-operative Bank and the Acushnet Co-operative Bank of New Bedford, Mass., and suspended operation of the two institutions. Following an investigation of his accounts and the affairs of the bank, Edgar Lord, treasurer of both institutions, was arrested, and on being charged before the district court with larceny, pleaded guilty to having embezzled \$40,000—\$20,000 from each bank. He was held in default of \$25,000 bail. The bank officials state that neither stockholders nor depositors would lose anything, as the surplus and undivided profit account was sufficient to meet the loss.

CASHIER IS MISSING

Raleigh, N. C.—The corporation commission closed the Savings Bank and Trust Company of Charlotte, appointing the American Bank and Trust Company receivers. Cashier Dew, whose disappearance two months ago was regarded as a summer vacation, has not returned. The commission reports that the bank is hopelessly crippled by worthless loans to the Blacksburg (S. C.) Bank, which has also failed. The receivers take over all belongings and one of the stockholders assumes all obligations. The depositors will lose nothing. No action has been started against the missing cashier.

Ten indictments against Nick M. Ellis, former cashier of the defunct Planters and Merchants Bank of Oklahoma City, were dismissed last week.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, September 4.—Optimism seems to be gaining among the St. Louis banking fraternity. Men who five months ago seemed to doubt all future progress, are to-day allowing their features to relax and beginning to admit that things are looking up a bit. The demand for funds during the past week has been all that could be desired from the viewpoint of the banker. Both city and country are in the market, and indications point to no slacking for some weeks to come. Just the routine business in sight, such as the crop movement and regular mercantile transactions, are sufficient to keep things going at the present pace for at least six weeks, and if the indicated general revival actually sets in, as few seem to doubt it will, the demand is likely to extend well into the new year. Shipments of currency are augmenting from day to day, and the zone taking them is broadening. Total volume of shipments this week is the largest for the season thus far, but engagements for the coming week indicate that a new high record for the year will be made. This condition of affairs contrasts sharply with the apathy of borrowers, both in the country and city, at this time last year or the year before. Rates now are considerably higher, and there is a healthy tone to the inquiry which shows it is based on material prosperity and of a character which is in no wise spasmodic. There are at present no indications of stringency, as all the leading banks have been preparing for months for the present state of affairs, and many of them were forced so to prepare, as they were unable to lend their funds anyhow. The belief prevails that there will be a further hardening in money rates, especially when the agricultural demand reaches its meridian, but withal regular customers are receiving assurances that they will be amply and easily provided for. Wholesale concerns and manufacturers report mainly that not in years has the outlook been more promising for fall and winter trade. Buying by southwestern merchants is heavy and reflects the success of farmers' operations in that region this season. The hand-to-mouth policy, of the last three years, has for the moment been abandoned, and there is a disposition to fill shelves. Clearings here hold up in excellent shape, the total for August being \$321,723,612, as compared with \$290,653,000 for the same month last year. Interest rates range between $5\frac{1}{4}$ and 6 per cent.

Floods Did Not Hurt Crops

Now come representatives of the flood districts in Missouri, Arkansas and other states along the Mississippi river and proclaim aloud that the waters did not injure their crops.

They desire to pin the lie on certain persons and newspapers who gave out that those lands were unproductive this season. Among the representatives are bankers, real estate men, farmers and business men generally from the affected districts. To disprove the damaging assertions which have been sent broadcast, the flood district will have an exhibit of agricultural products raised this season at the National Land Congress and Exposition, to be held in the Coliseum in October. Besides this exhibit there will be stereopticon views and lectures to further emphasize the point which the gentlemen from the bottom lands desire to make. They declare hotly that they will not have their land talked about.

Will Receive Subscriptions

Thomas H. West, Jr., secretary of the St. Louis Union Trust Company, has announced that his institution has agreed to accept subscriptions for the campaign funds of the Republican, Democratic and Progressive parties. The request to perform this office, says Mr. West, was received in a letter from the Democratic national committee headquarters at New York. Just why the Democratic committee should interest itself in the Bull Moose and G. O. P. does not appear, and this feature is causing considerable speculation among local politicians. Mr. West is quoted as saying that even he did not know on what basis this unusual request was made. The St. Louis Union Trust Company thus constitutes the only neutral ground upon which the three parties meet, and, as one banker expressed it, this is "some distinction."

New Banks Chartered

A certificate of incorporation was issued this week by State Commissioner Swanger to the Farmers and Merchants Bank of Eureka, Mo. The capital stock is \$15,000 and the incorporators are John T. Byrnes, Patrick McKeever, Otto Edward and Christian Plaga-

mann, J. A. Smith, Alois Steigerwald, Henry Heitman and Joseph M. Bland. A charter was also granted to the Bank of House Springs, in Jefferson county, with a capital of \$10,000. The directors are R. E. Bonaker, V. J. Light, John Petgen, Henry T. G. Boemer, Hohn Heller, John P. Boemer and Ferdinand Meber, Sr.

Missouri Association Meetings

W. F. Keyser, secretary of the Missouri Bankers Association, has just issued a card which announces the dates and places of the association group meetings for 1912 as follows: Nos. 1 and 6 joint meetings at Hannibal October 17th; No. 2, Brookfield, October 18th; No. 3, St. Joseph, October 16th; No. 4, Kansas City, October 15th; No. 5, Lexington, October 23d; No. 7, St. Louis, date undetermined; No. 8, Jefferson City, October 22d; No. 9, El Dorado Springs, October 24th; No. 10, Neosho, October 30th; No. 11, Springfield, October 29th; No. 12, Charleston, November 8th. Mr. Keyser says he is in possession of correspondence which indicates that more attention will be given to the group meetings this season than in former years. The meetings at Springfield, St. Joseph, Kansas City and St. Louis are expected to be particularly "large and important."

Washing Machine Expected

The St. Louis subtreasury is to have a money washing machine, as a result of the recent bill providing for machines to clean up and rehabilitate unclean currency. The machine is on its way to this city, and according to Ralph P. Johnson, cashier of the subtreasury, will be set up and ready for action within the next few days. It has a capacity of 25,000 bills per day. He says that soiled bills turned in in the morning will be returned the same day, or early the following day.

Fight Tax Amendments

More strenuous and determined every day grows the opposition to the proposed single tax amendments, to be voted on by Missourians at the election in November. The St. Louis Real Estate Exchange and exchanges in other cities are heading the fight, and are sending spellbinders into the country to admonish farmers that they will be hard hit if the amendments carry. The opposition extends to various classes of society, and the measure is favored by quite as diverse classes. There is little chance for the success of the amendments, but those who fear their passage are none the less active. As a rule the banking fraternity in St. Louis and throughout the state generally is indifferent to the issue, and opinion is divided. On the whole it is believed by

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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HORACE E. ANDREWS
Pres. New York State Rys.
AUGUST BELMONT
August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
Pres. Alberene Stone Co.
HARDEN L. CRAWFORD
Pres. The Century Bank
of New York
P. S. DU PONT
Treas. E. I. Du Pont de
Nemours Powder Co.
DESMOND DUNNE
Pres. Desmond Dunne Co.
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Pres. Nipissing Mines Co.
O. G. FESSENDEN
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ELBERT H. GARY
Chairman of the Board
U. S. Steel Corporation
H. STUART HOTCHKISS
Vice-Pres. & Treas.
L. Candee Rubber Co.
JOHN M. HANSEN
Pres. Standard Steel Car Co.
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Cleveland, Ohio
GEORGE M. HARD
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Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President

Capital and Surplus**\$3,000,000**

**THE
CHATHAM
AND
PHENIX
NATIONAL
BANK**
New York

LOUIS G. KAUFMAN, President

FRANK J. HEANEY, Vice-President

WILLIAM H. STRAWN, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Assistant Cashier

WALTER B. BOICE, Assistant Cashier

GEORGE M. HARD, Chairman

RICHARD H. HIGGINS, Vice-President

ALFRED M. BULL, Vice-President

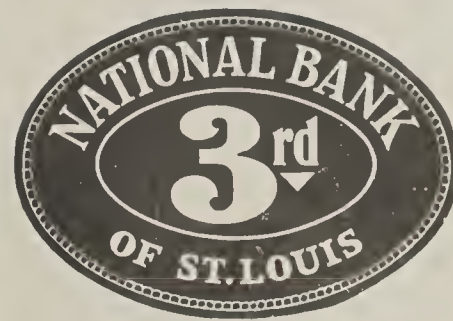
NORBORNE P. GATLING, Assistant Cashier

HENRY C. HOOLEY, Assistant Cashier

Directors:

FRANKLIN S. JEROME
Pres. First Nat'l Bank,
Norwich, Conn.
LOUIS G. KAUFMAN
President
EDWARD E. LOOMIS
Pres. D. L. & W. Coal Co.
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Vice-Pres. First Nat'l Bank
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FRANK R. LAWRENCE
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WALDO H. MARSHALL
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American Locomotive Co.
JOHN RINGLING
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EDWARD SHEARSON
Shearson, Hammill & Co.
HENRY F. SHOEMAKER
New York City
SANFORD H. STEELE
Pres. General Chemical Co.
ALBERT A. TILNEY
Harvey Fisk & Sons
FR'D'K D. UNDERWOOD
Pres. Erie Railroad Co.
JOHN D. VERMEULE
Pres. Goodyear Rubber Co.
SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
Pres. Witherbee,
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JOSEPH H. WRIGHT
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We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars**Capital
\$2,000,000****Surplus
\$2,000,000****Deposits, \$35,000,000****Officers****C. H. HUTTIG, President****F. O. WATTS, Vice-Pres.****T. WRIGHT, Vice-Pres.****R. S. HAWES, Vice-Pres.****G. W. GALBREATH, Vice-Pres.****J. R. COOKE, Cashier****D'A. P. COOKE, Asst. Cash.****H. HALL, Asst. Cash.****E. C. STUART, Asst. Cash.****R. R. Donnelley & Sons Company****PRINTERS
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CHICAGO

students of economics that the issue is one of the most important ever presented to the voters of Missouri. Its effect in certain ways would be revolutionary, and would require entire readjustment of the present status of things.

Membership Now 500

Colonel W. F. Keyser, the very excellent secretary of the Missouri Bankers Association, with headquarters at Sedalia, has announced with considerable satisfaction to members that Missouri's membership in the American Bankers Association has reached 500, thereby entitling the state to three members on the A. B. A. executive council. The credit for this achievement is ascribed primarily by Colonel Keyser to the persistent efforts of the present members of the council, S. J. Calfee, of the Mechanics-American National, St. Louis, and C. G. Hutcheson of Kansas City, who were very ably assisted by other bankers of the state. The third member of the council is A. D. Buckner, cashier of the Paris National, of Paris, Mo.

FARM BUREAU ORGANIZED

Peoria, Ill., September 3.—What will be known as the Peoria County Farm Bureau was organized with F. A. Jones of Dunlap president at the annual picnic of the Peoria county grange at Alta yesterday. C. H. Feltman of the Peoria board of trade was made secretary. The object of the new organization is to improve crops and the breeding and raising of cattle and horses. A farm manager will be employed, whose duty it will be to analyze the soils, and every means will be adopted to promote better crops and preserve the life of the soil.

MONTANA CONVENTION

The ninth annual convention of the Montana Bankers Association was held at Kalispell on Friday and Saturday, August 23d and 24th.

The attendance exceeded by far that of any previous convention and the meeting was a success both in a business and social way. A splendid program for the business sessions was carried out, including the following addresses:

"Commercial Arbitration," by J. W. Spangler, vice-president of the Seattle National Bank, Seattle, Wash.; "Corporate Surety Bonds," by J. P. Donnelly, state manager of the National Surety Company, Helena; "Responsibilities and Liabilities of a Bank Director," by Edw. T. Coman, president of the Exchange National Bank, Spokane, Wash.; "Financial Problems," including a discussion of the Aldrich Bill, by H. von der Weyer, cashier of the National German-American Bank, St. Paul, Minn.; "Agricultural Development and Education," by W. D. Vincent, cashier Old National Bank, Spokane, Wash.

President Smith's address reviewed the work of the year and included many recommendations of importance. The secretary's report showed the association to be in a flourishing condition.

Much business of importance to Montana bankers was accomplished and strong committees on legislation, agricultural development, education, etc., were appointed.

Too much cannot be said of the splendid entertainment features provided by the Kalispell bankers. The program included a number of automobile trips through the beautiful Flathead Valley, a boat excursion on Flathead Lake and dinner at Stone-Croft-on-The-Lake, and on the Sunday following the convention an automobile trip to the famous Lake Mc-

Donald in the Glacier National Park. On the evening of Saturday, August 24th, a reception was tendered the visiting bankers and their wives by Mrs. A. D. Conrad of Kalispell, at her residence.

The following officers for the ensuing year were elected: President, James T. Wood, cashier, First National Bank, White Sulphur Springs; vice-president, D. R. Peeler, president Bank of Commerce, Kalispell; secretary-treasurer, M. Skinner, cashier First National Bank, Great Falls. Executive committee—H. V. Alward, cashier First National Bank, Kalispell; R. O. Kaufman, cashier Union Bank and Trust Company, Helena; Roy J. Covert, cashier Merchants National Bank, Billings; C. C. Swinborne, cashier Daly Bank and Trust Company, Butte.

The 1913 convention will be held at Helena.

RICHMOND BANKS CONSOLIDATE

At a meeting of the stockholders of the First National Bank and the National Bank of Virginia, held on Thursday, August 29th, the action of the boards of directors of the two institutions, in favor of the merger of the two banks, was ratified, and the consolidation became effective on September 1st. The First National Bank will, as soon as is practicable, move to the present quarters of the National Bank of Virginia, where the combined houses will be quartered until such time as the new First National Bank building, diagonally across Main Street, is ready for occupancy. This will be several weeks yet, as the interior plans have been altered to accommodate the merged banks, and an extension of time has been granted the contractor.

Daggett, Mich.—The Daggett State Bank has been chartered.

Editorial Comment

NEW YORK BANK LAW AMENDED

In April of this year the New York legislature passed an amendment to the penal law relating to borrowers' attempts to obtain property or credit by means of false statements, a practice which has resulted in heavy losses to banks. The legislation was secured at the instance of the New York Bankers Association, and the law became effective September 1st. The act applies to persons who knowingly make untrue representations respecting the financial condition either of themselves or some other individual, firm or corporation, by means of which is secured either the delivery of personal property, the payment of cash, the making of a loan or credit, the extension of a credit, the discount of an account receivable, or the making, acceptance, discount, sale or endorsement of a bill of exchange, or promissory note. The act also applies to any person, who, knowing that a false statement in writing has been made relating to his financial standing, procures on the strength of such statement any of the benefits above enumerated; it also refers to statements previously made, which, though true at the time they were made, are false at a later date. Any person violating the act is deemed guilty of a misdemeanor, the punishment for which is imprisonment for not more than one year, or by a fine of not more than a thousand dollars or both.

The wisdom of such a law readily is apparent, and other states would do well to follow New York's example and secure legislation which materially will reduce the hazard on loans, and enable banks to render that service for which they are created,—the safe-keeping of the public's money.

UNFAIR REPORTS

The huge Taft landslide in Michigan on Thursday of last week was not even mentioned in the Chicago bull moose newspaper. The Record-Herald says that Taft defeated the Roosevelt forces by a vote of twenty-five to one. How can the voter continue to believe in a candidate or his cause when his newspapers suppress the news? It is altogether indefensible and almost inconceivable what chances ambitious young men will take with a great newspaper property. A loss of reputation for fairly printing all the news that's fit to print is fatal to any newspaper.

Claims for the third party should be judged somewhat by the success of such movements in the past. The 1912 convention of the Populist or People's party was held this year in St. Louis with but eight delegates in attendance—all candidates. Yet 20 years ago Gen. James B. Weaver, the first nominee of the party for the presidency, polled 1,041,028 votes. What has become of the other 1,041,020? Weaver, who had been the Greenback party's nominee in 1880, won 22 electoral votes in 1892

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

under the Populist banner—4 from Colorado, 3 from Idaho, 10 from Kansas, 3 from Nevada and 1 each from Oregon and North Dakota. The only other third party that ever gained more electors was the movement of the Bell-Everett Constitutional Unionists in 1860, who won 39 electors in three states and polled 589,000 votes. If Standard Oil revelations continue it seriously is doubted if Col. Roosevelt will do as well as Gen. Weaver did. At all events he will not go beyond the Bell-Everett results in the electoral college—if third party history repeats itself. This third party is weak in having no big issue as Weaver had, but looses daily in strength as it becomes clearer that it merely is a matter of personal ambition of Roosevelt in national affairs as it is of "Boss" Flinn in Pennsylvania; of Ex-Senator Beveridge in Indiana, and so all along the line down to certain newspapers which would ruin where they cannot rule.

BAR ASSOCIATION ON ROOSEVELT

The sessions of the American Bar Association held in Milwaukee the past week presented a variety of opinion on every subject up for discussion except on the "recall of the judges" as proposed by Roosevelt in his vote-catching platform. Condemnation of this was unanimous and vigorous. The associated press report says:

Every one of the six formal speeches delivered before the association had some attack upon Roosevelt or his policies. The one which received the most applause was read by Henry D. Estabrook of New York. Referring to the recall he said:

"It is a dastardly, cowardly, cruel contrivance that would make the iniquity of the inquisition almost respectable by comparison."

That Roosevelt was not condemned for his

opposition to trusts but for playing favorites among them was brought out strongly. Frank B. Kellogg of St. Paul, the government's "trust buster," was elected president of the association for the next year, succeeding Stephen S. Gregory of Chicago.

COUNCIL CLUB BANQUET AT DETROIT

The annual banquet of the Council Club will be held in Detroit on Wednesday night, September 11th and be presided over by President George H. Russell, who also is president of the Detroit Clearing House and will make an address of welcome at the opening session of the big convention. Most of the details of preparing the program and arranging for the banquet have devolved upon Secretary Lucius Teter of this city, president of the Chicago Savings Bank and Trust Co. Among the speakers who have consented to give short talks are August Blum of the First National Bank of this city, on "Legends of the Rhine." Festus J. Wade of St. Louis will speak on some of the hobbies to which up-to-date bankers devote their spare moments. William George of Aurora is expected to drive a team of Shetland ponies for a race against time around the balcony of the dining hall. Cornelius N. Pugsley will explain what a hard time he has had to conduct the New York Bankers Association along conservative lines. E. R. Gurney of Fremont, Nebraska, will speak on "The Kansas-Nebraska Act." Other prominent bankers present will be invited to talk on various topics, and all of them will be ruthlessly beaten down by the gavel if they attempt to talk too long. It is the intention to make this occasion a strictly social one and all references to "shop" will be barred.

All ex-members of the executive council of the American Bankers Association are eligible to attend this banquet. This naturally includes all ex-officers of the association because of their membership ex officio in the council. Members are especially reminded that they may bring along their wives and daughters, and under certain conditions guests may be invited. Secretary Teter will be at the Ponchartrain in Detroit and will arrange to care for all late comers or for those who have failed otherwise to make table reservations.

AGRICULTURAL MATTERS RECEIVING ATTENTION IN WASHINGTON AND OREGON

Matters pertaining to agricultural development and education are receiving attention in Washington and Oregon. The state reformatory at Monro, Wash., recently has engaged the services of Ronold E. Chapman as director of agriculture. It is intended to have a model farm, from which will be obtained enough food to supply the needs of the institution. At East Gaston, Oregon, there exists a community system of raising crops and live stock and a community system of advertising and sale. There also is a social side to the plan, and from time to time lecturers are secured to talk on some live subject. A movement has been put on foot at a meeting of bankers, educators and commercial club and live stock exchange representatives by which the Oregon legislature will be asked to appropriate \$50,000

Convention Dates

American Bankers Association — Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



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to be used in promoting agricultural education. Much interest was manifested by those in attendance at the conference. It is proposed to improve country conditions so that people will not be anxious to leave the farms and go to the cities.

PRESIDENT HARRIS APPOINTS COMMITTEE

President B. F. Harris, of the Illinois Bankers Association, appointed a committee this week for the purpose of drafting a bill to be presented to the Illinois legislature, the object of which is to establish agricultural and vocational education in the schools of the state. The project involves the expenditure of approximately \$1,250,000 as an initial cost to the state of installing the agricultural and vocational courses of study. President Edmund J. James of the University of Illinois is chairman of the committee, the other members of which are George M. Reynolds, Julius Rosenwald, Edwin R. Wright, president of the Illinois State Federation of Labor; Prof. Frank M. Leavitt, president of the state teachers association committee; E. G. Cooley, former superintendent of schools, Chicago; F. G. Blair, state superintendent of schools; Frank I. Mann of Gilman, Ill., and O. J. Kern, superintendent of the Winnebago county schools.

THRIVING MISSISSIPPI BANK

F. W. Foote, active vice-president of the First National Bank of Commerce, Hattiesburg, Miss., a member of the executive council of the American Bankers Association, is calling the attention of his banking acquaintances to the seventeen years of successful business of his bank. The seventeenth anniversary of the institution occurred on September 2d. Its deposits now are \$1,823,045.71, which is a glowing tribute to the confidence in which it is held by the people of all classes who are numbered among its many depositors. The bank now has a paid-in capital of \$350,000 and undivided profits of \$90,800.83, and has more deposits than any other bank in Mississippi, and more than any other bank in the South located in a city no larger than Hattiesburg.

ANOTHER HORRIBLE EXAMPLE

Another "horrible example," as the temperance workers put it, occurred in Southwest Chicago this week. Three hundred twenty-dollar gold pieces were melted into a solid chunk and five hundred in currency burned up. A prosperous truck-farmer—afraid of the banks—had stored them in his corn crib which, in his absence, burned to the ground. Most of the gold can be recovered.

GOOD ROADS CONVENTION

Printed pamphlets are being sent out calling attention to the state good roads convention to be held at Peoria, Ill., September 27th, under the auspices of the Illinois Highway Improvement Association. The title of this little pamphlet is "Pull Illinois out of the Mud." The convention will be in the nature of a conference, at which advocates of good roads will determine upon a plan of action which, when carried out, will bring Illinois up from a low position in the list of states considered from the standpoint of highway improvement, and give it a standing in keeping with its agricultural, business and social supremacy. It is believed that the time now is ripe for action, and that an endeavor should be made to secure for the state roads that may be used all the year around, and which do not have to be abandoned for weeks at a stretch in bad weather. Other states in the Union have forged ahead of Illinois in matters pertaining to this most important subject. People naturally desire to live in communities in which there are good roads. Therefore it is believed that it is up to Illinois to put the good roads sentiment of her people in action, and to see that she is not outstripped by other states which are anxious to wean her citizens to their farms and cities. It is universally conceded that the present road laws of the state are antiquated and inadequate. Indications are that at the 1913 session of the legislature a new road law will be adopted. A committee of the legislature is investigating the matter thoroughly.

At this convention the Illinois Highway Improvement Association will formulate its legislative policy or program, after a thorough discussion of the road situation in Illinois by

representative men and women from all parts of the state. Speakers of national prominence have been secured, and the detailed program now is being prepared. It will consist of a meeting of various groups in the morning, a general business meeting in the afternoon and a mass meeting in the evening. The business men of Peoria will entertain the delegates and visitors. W. E. Hull is chairman of the Peoria committee in charge of arrangements.

Some of the good things which it is expected improved roads will bring to Illinois are better schools and larger attendance; better health and quicker medical attention; better farms and more cultivated land; better crops and cheaper transportation; better economic conditions and more producers; better social conditions and less isolation; better church attendance and better citizens and better postal service and closer friends.

William G. Edens, assistant secretary of the Central Trust Company of Illinois and secretary of the agricultural committee of the Illinois Bankers Association, is president of the Illinois Highway Improvement Association, and S. E. Bradt, vice-president of the First National Bank of DeKalb and chairman of the good roads committee of the Illinois Bankers Association, is the first vice-president of the organization. C. A. Kiler of Champaign, chairman of the good roads committee of the Illinois Commercial Federation, is second vice-president; C. G. Miller of Cairo, president of the Cairo Automobile Club, and a member of the Cairo Commercial Club, is third vice-president; Mayor F. A. Garner of Quincy is fourth vice-president; Thomas Sudduth, director of the Farmers National at Springfield and a member of the Springfield Commercial Association, is the treasurer. Richard J. Finnegan of the Chicago Motor Club is secretary.



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C. C. PARKS FOR GOVERNOR OF COLORADO

C. C. Parks, cashier of the First National of Glenwood Springs, Colo., a pioneer banker of the Centennial State, is a candidate before the primaries on the republican ticket for governor of Colorado. Mr. Parks is a strong man and has a large acquaintance among bankers in that state.

CENERAL TRUST BOY TO BE MARRIED

Mr. and Mrs. Charles Ellsworth Gibson announce the marriage of their daughter Helen to Arthur Hill Jacks at West Newton, Mass., Monday evening, September 23d. Mr. Jacks has been a receiving teller for the Central Trust Company of Illinois for a number of years.

By C. M. Pugsley superintendent of Agricultural Extension and head professor in Farm Management at University of Nebraska

How Can Bankers Assist Agriculture OMAHA CONVENTION

Tells bankers they are doing a splendid work and that results will be far beyond their highest expectations

It affords me special pleasure to be able to express to all of the bankers of the state of Nebraska my appreciation of the splendid work they are doing in assisting all lines of agricultural work. When we hold a Farmers' Institute, a Week's School of Agriculture, a Boys' and Girls' Contest, or when we desire to start any special line of agricultural work in a community, we always are certain now that the bankers will turn a sympathetic ear and lend friendly as well as substantial aid.

Your deep interest in the cause of agriculture is shown conclusively by glancing at your list of association committees. I find that the first two on the list are strictly agricultural committees, while the fourth is a committee which cannot go very far in its works without considering agricultural questions. This would make more than one-third of all your committees dealing with agriculture. This is right, for agriculture is really the foundation of all the industries of our country. The people in towns and cities are sometimes accused by the farmers of undue interest in something which cannot go very far in its work without remembering that the prosperity of the farmer is the prosperity of the nation, so an intense interest in agriculture by all is only natural.

A very brief review of the work which is being done at the present time is necessary to an outline of future work. From June, 1911, to June, 1912, there was held by the Department of Agricultural Extension a total of 215 Farmers' Institutes, with a total attendance of 113,169. In addition to the institutes there were three Senior Short Courses held with a total attendance at all sessions of 12,174. These Senior Short Courses lasted for one week, and were of the nature of schools. Six Junior Short Courses were also held with an attendance of 8,737. Eighteen Boys' and Girls' Contests were held at county seat towns with an attendance of 10,000. The corn trains run in co-operation with the Omaha business men reached directly 51,721 and indirectly every citizen of the state of Nebraska, besides starting a campaign which spread to practically all corn belt states. We have reached by correspondence and by special meetings enough more people to bring the total easily to over 200,000. For this work we have had \$17,500, but \$2,500 of this was spent for permanent equipment which will be used for several years to come, and in taking care of some obligations which were incurred before the year's work started. This leaves \$15,000 to take care of 200,000 people, or an average of 7½ cents per individual.

While we are confident in our own hearts that the work of the year has gone into every home in the state of Nebraska as well as into many homes in adjoining states, yet we are not satisfied. We feel that our methods can be so changed and perfected that the amount of work accomplished will be very much larger. In order to do this, however, we need a larger amount of money to put into the work. A number of plans have been developed to a point where they must be financed very soon or permanently dropped. We are especially anxious for the advice and help of citizens of Nebraska who are interested enough to give the matter serious thought. I have been in charge of the Extension work in your state but one year. Before that I was a farmer just over the Missouri in Iowa, and

for ten years a student and worker at the Nebraska State University, spending a great deal of time in extension work in the field. My personal contact with the farmers, and the fact that I am a farmer myself, is the only excuse I offer for some of the following statements.

To aid us in the consideration of what follows we should first get the proper viewpoint of the mind of the average farmer. An X-ray of the composite rural mind of Nebraska would startle a good many of those who are not familiar with our rural citizenship. I believe that the Nebraska farmers are the cleanest thinking class of citizens in the world. I also believe that they are the deepest thinking class. They think slowly, but they think surely, and when the time comes for them to make a definite decision on an important matter, you can be certain that the decision is going to be right.

The Nebraska farmer is typically American. He wants to do things for himself. He doesn't want anything handed to him on a platter. If it does not belong to him, he does not want it. If it is an idea, his natural conservative inclination will keep him from accepting it until it has proven better than the idea which he already possesses. Above all things dictation and paternalism are repulsive to him, and this is the reason why some of the pet schemes of agricultural educators have failed, and why others being tried will fail.

There is in the mind of the Nebraska farmer the knowledge that production is not the only thing which needs attention. He is anxious and willing to improve his methods of production. He regards, however, marketing problems of a great deal of importance. Just at the present time, we are in the dawn of a serious consideration in the minds of the farmers of this particular phase. He will continue to consider it until he has arrived at some conclusion. He desires to know why he receives less than one-half of what the consumers pay for his produce, and the consumer would like to know why he has to pay more than twice as much as the farmer receives. The question of the necessity of so large a margin for distribution is being agitated from both sides.

He would like to have an investigation of farming as a business. He feels that his business should be placed on the same basis as that of the manufacturer. The large business concerns always consider that they must have interest on their total investments, salaries, taxes, endurance and running expenses, before they begin to count profits. The farmer of to-day is beginning to figure in the same way. When he does he finds that he must improve his methods materially to keep ahead of the game. He also is thinking deeply along the lines of rural credit systems, and before any very distant day will demand that public consideration be given this question. He will not be content until some just system is established.

Another campaign of this sort is the one which is now being conducted with the boys of the state and is known as "The Nebraska Boys Corn Growing Contest." It is a small part of a large Nebraska Boys' and Girls' Club plan. The South Omaha Stock Yards Company are co-operating in this campaign. They have contributed a sum of money which is to

be used for prizes in the various counties and at the State Contest. The campaign is resulting in an increased interest in agriculture on the part of the farm boys. The questions and sheets sent them are so directed that they are led to think instead of merely do. It does one good to read the letters they write. They are proud that their extra work in applying manure and in properly cultivating their acre of corn makes it look much better than their fathers'. Occasionally a father writes that his son's corn is the best in the neighborhood. In a postscript on the back of the page he says, "I've learned lots in helping my boy." Of course he did. Get the boy and you'll get the father. How sad the following quotation when compared with the former: "I am sorry I do not know how much rainfall we have had. I wanted to make a gauge out of a tin can as you told us how, but my brothers laughed at me and said it was foolishness."

The second kind of co-operation is that which looks to the establishment of some permanent policy. This, to my mind, is the co-operation which will result in the greatest good. Temporary co-operation is the easiest and simplest, because after the propaganda is over there is nothing to maintain. Plans looking to the establishment of permanent policies must be carefully worked out, if their good work is to continue for years.

There is this important difference in the two plans: The first requires a definite amount of money. The second requires an ever increasing amount. In the second the people who are putting up the money in a co-operative way are finally going to tire of the work even though it is very successful. Work which is for the permanent benefit of the entire community should ultimately be paid for by the community and not by a few people. In order, however, to get the work started and to demonstrate the importance of a line of work, it is often necessary to secure funds from men or associations who are willing to donate of their time and money to aid in the permanent establishment of something which is worth while. The plan should be so made, however, that as soon as the policy is working well, the burden of support shall be largely shifted to the communities benefited, instead of borne by a few who are especially interested.

It will perhaps be wise to very briefly review the plans of the extension work now most commonly in use. Agricultural bulletins have been used for years as a means of extension work, but there is a feeling on the part of the farmers that they do not have enough personal element, are not simple enough, and are not widely enough distributed. The work receiving the most attention, and requiring the major proportion of the funds, is that of farmers' institutes. The institute has been very useful in its day, but has the objection of being a rapid fire affair, and of not bringing the workers in close contact with the people. It has resulted in great good and should be continued in certain communities, but for the older places something must be developed to take its place. Short courses, or six day schools of agriculture, have the advantage of bringing the workers in close contact with the people of the community, and as fast as funds are available will doubtless take the place of the institute work. They are, however, more expensive than institutes,

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from the standpoint of the number of people reached, but cheaper when the thoroughness and effectiveness of the work is considered.

Demonstration farms are just now being advocated very extensively. The general plan is to have some farm located in a community which is run by an expert agriculturist. It is the general notion that such a farm will, by the results of its superior methods, teach the people of the community how they can make the greatest success of farming. It is weak in several essentials. In the first place it can never be made to pay financially because a true demonstration farm must of necessity demonstrate poor practices as well as good. A demonstration farm which is not a financial success would have little influence for good. The weakest point, to my mind, is the lack of personal contact with the people of the community. The mere fact that the farm is owned by the state, puts it in a class apart, and the demonstrator's possible usefulness is greatly diminished. A demonstration farm is seldom operated under real farm conditions. There is always suspicion in the minds of some that supplies are secured cheaper or produce sold higher, or that the state is not hampered by lack of capital.

Concerted action on the part of all will mean rapid advancement. If many interests are working separately they can accomplish something, but if they join forces, and all work together, the results are going to be worth while. There is already a certain amount of machinery at your university and your experiment station and sub-stations. This machinery has been bought by you as taxpayers of Nebraska, and is being operated at your expense. It is true that there is not enough machinery to do the most economical work, or a sufficient force of operators to do the best work with the machinery you now have, but you have a splendid plant started. The people you have placed in charge are anxious for your advice and co-operation that their usefulness to the state as a whole may be increased.

J. L. Mathews has been elected president of the State Bank of Wildrose, N. D.

BANKS MUST OBSERVE LAW

W. R. Williams, state superintendent of banks, has advised the national banks of California, in a circular letter, that they must observe the state law prohibiting banks from receiving public moneys for deposit in excess of 50 per cent of their capitalization. While the state superintendent of banks has no jurisdiction over the national banks, Mr. Williams declares that if the practice is not discontinued he will direct the state banks which use the national banks referred to as depositories, to withdraw their funds. People who always seek to find a political motive in the acts of the bank superintendent assert that the circular is aimed chiefly at a certain bank in Sacramento whose political affiliations are widely apart from those of Mr. Williams.

AN EVENT IN LOCAL THEATRICALS

An announcement soon will be made of the coming to this city of one stellar aggregation of stars that may surprise even the regular theatre patrons. In the last few years we have had several all-star revivals, the Lambs and Friars Star Gambols, etc., but the first and only burlesque jubilee will be seen here the week of September 15th at the Columbia Theatre. This signal honor was tendered Al Reeves, who will head this big organization, as Mr. Reeves is considered without a peer in his line. When he consented to do so, it was agreed that this would be an event second to none in the history of refined burlesque.

Such well known stars as Andy Lewis, Georgie Thatcher, Billy Durgin, George Scott, Johnny Walsh, Tommy Cochrane and others of note will be cast for important parts. Lucille Manion has been loaned to Mr. Reeves' company for this tour. Blanche Martin, Vera George and Catherine Crawford, to say nothing of Zella Russell, positively the highest salaried women in burlesque, Annetta, the beautiful Spanish violinist and dancer, Sisters De Graf, Catherine Horter and others will positively appear.

The "Four American Belles," direct from three years' European success, will be a special

feature. The Big Jubilee Company will travel by special train and only the more important large cities will be visited on the tour. Orders will be taken at the box office by mail or phone now. No speculators will be sold any seats.

AGRICULTURAL CAMPAIGN

The Oklahoma Bankers Association is feeling rather well satisfied with the results of what might be termed its compulsory educational campaign. In common with the other associations of the country the Oklahoma bankers have awakened to the importance of the spread of agricultural education, but have adopted a rather unique way of preaching the gospel of diversified crops. It was decided by the bankers that the chief need of the Oklahoma farmers was to grow enough fodder crops to assure the feeding of their stock in the event of the failure of other crops, and the stock in turn would be security for the bankers for loans made to the agriculturists. To bring about this condition of affairs the member banks all made the agreement that for every \$10 loaned to a farmer he had to promise to plant one acre of Kaffir corn, milo, or cow-peas. The result has been that the seed houses report an increase of about 75 per cent in the acreage of these crops, and as all the crops of Oklahoma seem to be of the bumper variety this season, it would appear that the farmers with enough rough feed for their stock can turn their other crops into cash, a condition which will inure to the benefit of all concerned, not excepting the bankers.

NEW PRESIDENT FOR ANNAPOLIS BANK

Annapolis, Md., September 2.—The board of directors of the Farmers National Bank of this city have filled the vacancies in the offices of the bank arising from the death of J. Wirt Randall. Harry J. Hopkins, chief clerk of the comptroller, was named as president; Grafton D. Ridout, as vice-president, in place of Mr. Hopkins, and Daniel R. Randall as the director to fill the vacancy.

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

All banking cities of the Central West have shown rapid gains in clearings within the past month and there is now little doubt that the financial condition in this territory will continue to improve steadily. The splendid crops and high prices of farm products have given the farmers renewed assurance of prosperity. On Tuesday, September 3d, which was settlement day at the Kansas City wheat market, all records for business in primary grain were broken. Omaha experienced almost the same degree of wheat activity. The cotton movement has been active and the reports from all sections indicate a very satisfactory amount of this staple at the gins and in warehouses. Following are the percentage increases of clearings for the last week in August in Central West cities: Kansas City, 9.06 per cent; Omaha, 16.9; St. Joseph, Mo., 8.09; Wichita, 16.3.

Kansas Group Meeting Dates

Following are the dates decided upon for the fall meetings of the six divisions of the Kansas Bankers Association. November 13th at Great Bend; November 14th at Harper; November 15th at Chanute; November 20th at Beloit; November 21st at Kansas City, Kan.; November 22d at Lawrence. Preliminary arrangements for these meetings were made last week when group chairmen met in Topeka. M. H. Malott, of Abilene, president of the Kansas Bankers Association, and W. W. Bowman, secretary of the association, were in charge of the meeting. The subjects to be discussed at the group meetings will include currency reform from the viewpoint of the Kansas banker, and agricultural instruction and development as well as the daily problems of the bankers. Those who attended the Topeka meeting were J. W. Howie, cashier of the First National of Hiawatha; W. E. Hayden, assistant cashier of the Watkins National of Lawrence; George Kuhne, cashier of the Lawrence National of Lawrence; J. E. Smith, cashier of the Concordia State Bank, Concordia; F. A. Mergen, of the German State Bank of Beloit; J. G. Parker, president of the National Bank of Harper, and Marcel DuPhorne, cashier of the State Bank of Harper.

Pushing the "Blue Sky Law"

State Bank Commissioner Dolley, of Kansas, the originator of the Blue Sky law which has attracted such widespread attention, is perfecting his system of investigation into details of stock-selling concerns seeking to dispose of their securities in Kansas. He has perfected a set of blank forms which doubtless will be used in other states that have adopted the Blue Sky law. The blanks cover four pages and when properly filled out give the entire

business history of the company in concise form and in such a way that no tricks can be hidden in the statement without being easily detected. The blanks require a correct statement showing the amounts of common and preferred stock, the different classes of bonds and other securities, authorized and issued the exact amounts of real money received from the sale of stocks and securities, the notes, mortgages, real estate, patents, equipment, commissions, salaries and other items given to secure the stock. The companies are also required to give a complete list of the holders of stocks, bonds or notes of the company and the exact consideration given by them to obtain the securities. The statement must show also the list of officers and directors, the number of shares each owns, the actual cash each has invested in the company, the salary paid each officer and the amount of time each officer devotes to the company each year.

George F. Sawyer

George F. Sawyer, who was elected president of the Nebraska Bankers Association at the recent Omaha meeting, is one of the most popular financiers in that state and he is also one of the many Nebraska bankers who are interested in the Bankers Mortgage Loan Company, which is a new Nebraska institution which has an authorized capital of \$2,000,000. F. McGiverin, whom Mr. Sawyer succeeded as president of the Nebraska Bankers Association, is vice-president of the Bankers Mortgage Loan Company and more than 500 bankers of Nebraska are stockholders in the concern, making it one of the strongest institutions of the kind in the Central West. Mr. Sawyer believes that the Bankers Mortgage Loan Company will prevent money stringency among the farmers of Nebraska in the future and that it will help to keep them supplied with funds for improving their farms.

For Monetary Reform

Officers of the Citizens League in Kansas, headed by C. M. Harger, of Abilene, president, have succeeded in arousing great interest among the farmers and merchants of that state in the subject of monetary reform. Much literature has been sent out from the league's headquarters and earnest speakers have been going over the state for the past year on tours of education. As a result eighty-three of the 105 counties in Kansas have monetary reform organizations and the Kansas congressional delegation has been bombarded with letters demanding that the members vote for the currency bill which will be voted on next winter. It is said that practically all of the Kansas congressmen have been pledged to vote for the bill.

Suggests Legal Adviser for Banking Department

Commissioner of Insurance and Banking Gill, of Texas, has filed the estimates of the needs of his department for the next two fiscal years and the total amount asked for is \$259,162, an increase of \$34,410 over the amount appropriated two years ago. One of the important changes that is suggested by Mr. Gill is the employment of a legal adviser for the department. Commissioner Gill also wants the authority to appoint a number of additional state bank examiners as he contemplates a rapid growth in the number of banks which must be examined within the period covered by his estimates.

Central West Notes

The Oklahoma banking department has caused a warrant to be issued for the arrest of Bainbridge Jones, formerly president of the Oklahoma Trust Company, charging him with lending the bank's funds to himself while president of that institution. The trust company went out of business two years ago and it is understood that it cost the state guaranty fund \$47,000 to liquidate its accounts. Jones is supposed to be in Chicago.

Fred E. Bodie, president of the First State Bank of Elk Creek, Neb., has sold a controlling interest in that institution to L. J. Dunn, cashier of the City National Bank of Lincoln. Neal Dunn, son of the purchaser, will become actively identified with the bank.

C. D. Waller, for several years identified with the Bartlett Trust Company of Omaha, has taken a position with the Drovers National Bank of Kansas City.

The Necona National Bank of Necona, Tex., has taken over the City National Bank of that place. There will be no change in capital or officers.

Suffering from mental derangement, Mrs. George Connor, wife of the cashier of the Fontana, (Kan.) State Bank, took her life last week. Her body was found hanging from a tree by a party of men who had been hunting for her for several days.

John A. Flack, absconding cashier of the Abilene (Kan.) State Bank, was brought from New York to Abilene last week and arraigned for forgery. He waived examination and gave bond for trial.

The Texas banking department has approved the following reserve agents for state banks: for the Farmers and Merchants State Bank of Kenedy, the National Bank of Commerce of San Antonio; for the Citizens State Bank of El Campo, the City National Bank of

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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SURPLUS 300,000
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Galveston; for the First State Bank of McAllen, the Corpus Christi National of Corpus Christi; for the Peoples State Bank of Pearsall, the South Texas Commercial National of Houston; for the Farmers State Bank of Quanah, the Drovers National of Kansas City; for the Kilgore State Bank of Kilgore, the Commercial National of Shreveport; for the First State Bank of Pendleton, the First National of Waco; for the First State Bank of Robstown, the Alamo National of San Antonio, and for the Lubbock State Bank of Lubbock, the Oklahoma Stock Yards National, Oklahoma City, Okla.

Two state banks were established in Texas last week. They are the Scandia State Bank of Scandia and the First State Bank of Tuscola.

The following bankers visited Kansas City's financial district last week: D. W. Norton, cashier of the First National of Guymon, Okla.; P. S. Powell, cashier of the First National of Nowata, Okla.; George E. Gilmore, cashier of the Bank of Stilwell, Okla.; V. C. Downing, assistant cashier of the Farmers Bank of Osborn, Mo.; F. E. Bergen, assistant cashier of the State Bank of Summerfield, Kan.; G. R. McCullough, president of the First National of Tulsa, Okla.; H. W. Fisher, cashier of the City National of Emporia, Kan.; Charles B. Edwards, of the First National, Lamar, Mo.; Marcel Duphorne, cashier of the National Bank of Harper, Kan.; George G. Parker, of the Security State Bank of Harper, Kan.; A. E. Maxwell, president of the National Bank of Commerce of Pittsburgh, Kan., and H. W. Dorsett, president of the Ford County State Bank, Spearville, Kan.

F. P. Neal, chairman of the board of directors of the Southwest National of Kansas City, returned from his vacation last Tuesday. He spent several weeks in the mountains of Colorado.

George Bueckling, Jr., manager of the women's department, Fidelity Trust Company, Kansas City, who spent his vacation in Colorado, is at his desk again.

NEW MISSOURI BANKS

A certificate of incorporation has been granted by Commissioner John E. Swanger to the Farmers Bank of Wellington, in Wellington, Lafayette county, Mo., to operate for fifty years. The incorporators are Andrew T. Mahoney, Henry C. Kehr, Charles G. Grunke, Otto Reismeyer, H. E. Neese, et al. The capital stock is \$15,000, consisting of 150 shares of \$100 each, all paid up.

A new bank to be known as the Bank of Holstein has opened for business at Holstein in Warren county with a capital stock of \$10,000. The officers are: President, Bernard Macke; vice-president, Dr. A. M. Underwood; cashier, H. M. Smith.

GEORGE B. CALDWELL RETURNS FROM EAST

George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, recently has returned from the East, where he spent his vacation. Mr. Caldwell remained in that section of the country after the meeting of the new Investment Bankers Association.

CANADA'S BANKING POSITION

The Canadian July bank statement, one of the monthly statements which usually reflects the position of the financial organism of Canada in respect to the task of crop moving, shows a phenomenal increase for the seven months of the current year. The paid-up capital of the banks of Canada has increased from \$102,626,500 to \$113,410,700 or considerably over 10 per cent up to the present time this year. This, of course, has effected a corresponding increase in the authorized circulation of the country, apart from the special circulation of the crop period. Reserves have increased from \$88,352,000 to \$101,735,500 or at the rate of 15 per cent. The strain on the circulation is shown by the fact that the maximum issue of bank bills during the month has grown from \$93,273,000 to \$105,188,000, or over 13 per cent, and considerably greater than the increase of capital. Liabilities have increased in a corresponding proportion, the total being \$1,111,465,500 last year and \$1,264,541,800 this year, a growth of slightly under 14 per cent.

The disposition of the assets is much the same. Call loans outside of Canada were \$104,009,000 in 1911, and are \$117,961,400 now, or 13 per cent increase, but the increase in the call loans in Canada has been notably less, showing that the banks are in a better position this year to displace loans without impairing the Canadian markets. These loans were \$65,339,300 last year, and are \$70,407,700 this year, an increase of only 7.7 per cent. There is a notable reduction in the holdings of government and municipal securities. Current loans in Canada show the heaviest increase of any class of business, reflecting the extreme activity of industry and commerce and the confidence and security prevailing. The sum in July, 1911, was \$723,765,358 and is now \$852,256,651, an increase of 17.7 per cent.

Canadian demand deposits rose from \$316,973,780 to \$372,012,494, or over 18 per cent; time deposits rose from \$570,789,435 to \$640,592,345, or 13 per cent. The larger rate of increase in demand deposits also indicates a very

active condition of business, the demand deposits being current accounts of trade. The chief changes during July were a reduction of \$6,184,314 in circulation and of \$2,608,375 in outside call loans. Canadian call loans rose \$1,705,879. Total deposits in Canada rose \$7,786,963 in spite of the reduction in the demand deposits class, but deposits outside fell \$4,228,286. Current loans in Canada increased \$3,316,562 and outside Canada \$1,487,430.

BANKS AS AGENTS

Nashville, Tenn.—The Tennessee Insurance Department, that has taken a firm stand against banks and trust companies engaging in the insurance business, and that caused all of such institutions in Memphis that engaged in such business to dispose of their agencies, now appears to take steps to stop the practice generally, and in looking to that end the commissioner is mailing out to offending banks and trust companies a letter in which it is set out that the custom is in violation of the laws in two ways.

The department holds that an individual holding a license for the benefit of the bank cannot pay to the latter any commission without violating the resident agent's law, and furthermore implies that under the charter of such institutions there is no authority given to transact the business. The question has long been the subject of controversy in Tennessee, and during the last general assembly a special law on the subject that was fought by the banks generally came within one vote of being enacted.

GEORGE WOODRUFF BACK IN TIME FOR DETROIT

George Woodruff, president of the First National at Joliet, who is in Europe, sends word from London that he expects to return to the United States in time to attend the convention of the American Bankers Association in Detroit.

G. F. TROTTER

G. F. Trotter, assistant cashier of the First National at Pueblo, was one of the live wires on the local committee, who did good work in caring for the comfort of the visitors and delegates at the convention of the Colorado bankers. Mr. Trotter expects to be in Detroit for the A. B. A. convention.

CAPITOL HILL STATE BANK OF DENVER

Roy P. Gholson, president of the Capitol Hill State Bank of Denver, who recently has opened this institution in the Colfax neighborhood, reports a satisfactory line of deposits and growing business.

ALLEN F. AYERS

Allen F. Ayers, secretary of the Continental Trust Company, Denver, who made such a hit with his response to the address of welcome at the bankers' convention recently held in Pueblo, is an Illinois boy, having been connected with the banking house of F. G. Farrell & Co., Jacksonville. Mr. Ayers expects to be present at the convention in Detroit.

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F. G. WINSTON, Vice-President

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E. F. MEARKLE, Vice-President

J. S. POMEROY, Cashier

FRED SPAFFORD, Asst. Cashier

GEORGE LAWTHOR, Asst. Cashier

STANLEY H. BEZOIER, Asst. Cashier

WALTER A. MEACHAM, Asst. Cashier

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The Northwestern National Bank Review seizes on the crop situation with avidity as the basis of its monthly editorial. Improvement of the crop situation due to scientific agriculture is emphasized. The early years' crops in virgin soil in several states of the Northwest have been of satisfactory measure, says the Review, but these, even from the standard of scientific farming, were below the possible permanent standard that will become general when all of our agricultural work shall be done according to the best known methods.

"This year's good crop, and it is a good crop," says the Review, "is after all but a matter of a few bushels per acre more than the crop of last year, and yet those few bushels represent just so much net gain over the yield of last year produced at practically the same expense of money and labor. It is the truth that a further increase of a few bushels per acre lies within the productive power of every farmer with the same effort as, or a little more than, this year's crop has cost him. Agricultural science is far ahead of agricultural practice and increased production will follow as soon as the knowledge that is now available becomes universal. How to spread this knowledge and make it practically and permanently effective is the problem that brought together representatives of 17,000 of this country's 26,000 banks in a conference in Minneapolis and St. Paul early in August.

"General business conditions throughout the country continue to improve. Now that it is certain that the harvest will net a profit, restocking by merchants is going on apace. There will be money to spend in the Northwest, and in other sections of the country, in excess of that demanded for bare necessities, and the retailers are preparing for a brisk fall trade. Their activity, of course, means business for the jobbers, and in turn for the manufacturers. This means that the labor market offers ample employment at fair wages, and this fact minimizes the chance of serious labor troubles. The opportunities in the harvest field have been in excess of the demands of the

unemployed and this condition has resulted in relatively high wages for the workers in the field.

"The weather for the past month has been abnormal for this season of the year, being generally cold and wet. Harvesting has, however, progressed satisfactorily and the moisture has been good for the later crops in a degree to compensate for the damage done to those harvested earlier.

"The demand for money has caused a marked hardening of interest rates, amounting to from one-half to one point increase in the rate that has been in force during the summer.

"Money is moving from the reserve centers to the rural districts to finance the crops. The country is in pretty good shape financially to handle the harvest, the national treasury is in a position to aid the banks, if necessary, by deposits of public funds, and our foreign trade balance remains as an ultimate asset in case it becomes necessary to import gold."

Minnesota State Fair

One of the feelers as to the condition of the country people is the annual Minnesota state fair which has been on full blast this week. Storekeepers, hotel men, and café owners say that more \$20 bills are offered for change by the rural people than they have ever known. The automobile dealers who are exhibiting at the annual show in the grand stand building say that the demand for agencies for automobiles and for private sale of cars is heavy. This is taken to mean that the stories that the farmers have money to spend after paying bills is true. The bankers are taking occasion to run in to the twin cities for the fair and talk over the situation with the city bankers and their friends from the country. The exhibits are profuse and indicate that the estimate of crops must be correct. The fair is like the grain exhibits in the Northwestern National Bank lobby, only larger. The fair management is using 50 cent and 25 cent slot machines at the entrance stiles and E. L. Mattson, cashier of the Scandinavian-

American National Bank, who is treasurer of the state fair association, is said to be dreaming nights of half dollars as the sole crop in the Northwest. He figures in his dreams that such a crop can be rolled in under its own power and that there therefore will be no car shortage.

Awarded Library Bonds

E. H. Rollins & Sons of Chicago have been awarded the St. Paul \$50,000 4½ per cent library bonds at \$50.450. Two Twin City firms bid \$50.325 and a Boston company \$50.350. All of six other bids were above par, except one. Several series of small issues of sewer bonds are on the market.

Back From Montana Convention

R. E. Macgregor, assistant cashier of the Northwestern National, with P. J. Leeman, First National of Minneapolis, and E. J. Grimes of the Minnesota Loan and Trust Company, have returned from the Montana Bankers Association convention at Kalispell. Mr. Macgregor says more cattle have been raised in the state this year than ever before, from the sale of which the farmers are making money. Much of the beef reaches the Twin City market. J. S. Pomeroy, cashier of the Security National, went on west to Glacier National Park with his son. He tasted the glories of the park last year and decided to go in this year from Belton and horseback through from the Glacier hotel at the head of Lake McDonald. Being of sedentary habits Mr. Pomeroy decided that the change from an office chair to the saddle of a Montana trail horse would be easy and feasible.

Back From Fishing Trip

E. W. Decker, president of the Northwestern National, has returned from trout fishing in Boulder creek, Montana, south of Billings. He says the creek is the fastest he has fished in. While away several business friends of Mr. Decker died, including Judge M. L. B. Koon, the vice-president of the bank, and Joseph Chapman, father of Joseph Chapman.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

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Jr., another vice-president. He was buried in the wilds and did not get much outside news until his return to Minneapolis. He regarded Judge Koon in many ways the greatest man he has known, able to fill almost any office offered him.

Minneapolis Bank Clearings

Bank clearings in Minneapolis were \$8,000,000 greater than last year and the total for the eight months is \$652,198,135 greater than for the same length period in 1911. The highest price for local bank stocks has been reached. Every month of the eight has shown an increase. It is estimated that the total clearings for the year will reach \$1,250,000,000.

Security bank stock at \$500 a share asked and \$475 bid. Northwestern National and First National at \$290, Scandinavian-American at \$138, Metropolitan National at \$140 and St. Anthony Falls at \$150 were new high prices. German-American was quoted at \$185 bid, Hennepin County \$265, East Side \$128, Union State \$115, South Side State \$250, Minneapolis State \$130 and Merchants and Manufacturers \$128 asked.

The clearings for the eight months with last year's comparisons show:

	1912.	1911.
January	\$85,699,581.99	\$85,684,404.74
February	77,712,657.11	70,861,772.47
March	82,949,599.18	82,628,645.99
April	83,375,251.76	76,360,750.73
May	79,758,194.89	77,455,968.43
June	78,244,505.76	77,658,216.71
July	81,872,991.45	71,939,954.62
August	82,565,353.71	74,820,633.17

Totals \$652,198,135.85 \$617,410,346.86

C. T. Jaffrey Back From Europe

Clive T. Jaffrey, vice-president of the Minneapolis First National, returned from three months abroad, is at home. He spent much of the time in England, Scotland and Ireland and studied the banks as well as the scenery.

New Minnesota Banks

The Farmers State of Lake Park, Minn., has \$10,000 capital. Incorporators are J. E. Bakke, Detroit, Minn.; C. E. Bjorge, J. N. Brown, E. M. Bjorge of Lake Park, Minn.

The Farmers State of Fertile, Minn., is started at \$25,000 capital and \$500,000 liability limit. The incorporators are M. G. Peterson, Nels Clementson, Anders O. Marvig, O. H. Vidden, A. O. Gullickson, E. G. O. Hoggland, A. L. Havland, Hans Paulsrud and J. F. Hanson of Fertile.

BANK CASHIER KILLS HIMSELF

New Baden, Ill., September 3.—While his wife and son were making merry at a Labor Day picnic John Ackermann, cashier of the New Baden Bank and treasurer of New Baden township, shot and killed himself. Ill health and fear of a complete breakdown was the only known cause.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for week beginning Wednesday, August 21, 1912, and ending Tuesday, August 27, 1912, both inclusive:

Arkansas—Perryville, Bank of Perryville.
California—Hughson, Bank of Hughson; Ukiah, Savings Bank of Mendocino County.

Florida—Umatilla, Bank of Umatilla.

Idaho—Kellogg, First State Bank.

Illinois—Colfax, The Colfax Bank; Danville, Palmer National Bank.

Kansas—Mayetta, First National Bank; Wamego, First National Bank.

Maryland—Seat Pleasant, Farmers and Mechanics Bank.

Massachusetts—Boston, C. E. Denison & Co., 4 P. O. Sq.; Boston, Merrill, Oldham & Co., 35 Congress; Lowell, Lowell 5 Cents Savings Bank.

Michigan—Allegan, Allegan State Savings Bank; Garden, Garden State Savings Bank; Litchfield, Litchfield State Savings Bank; Oxford, Oxford Savings Bank; Pigeon, Pigeon State Bank; Pontiac, Pontiac Savings Bank; Rochester, Rochester Savings Bank.

Missouri—Blue Springs, Citizens State Bank; Carrollton, First National Bank; Carthage, Bank of Carthage; Independence, First National Bank; Keytesville, Farmers Bank of Chariton County; Mexico, Mexico Savings Bank; St. Louis, North St. Louis Savings Trust Co.; St. Louis, John Nickerson, Jr., 405 Olive St.; Springfield, McDaniel National Bank; Taylor, Bank of Taylor.

Nebraska—Cedar Rapids, First National Bank.
New Jersey—Belvidere, Belvidere National Bank; Chrome, First National Bank of Roosevelt; Harrison, West Hudson County Trust Co.; Long Branch, N. J. Mortgage and Trust Co.

New York—New York, Henry L. Doherty & Co., 60 Wall St.

North Dakota—Garrison, Farmers Bank; Hunter, First National Bank.

Ohio—Salem, Citizens Savings Bank and Trust Co.

Oregon—Portland, First Trust Company.

South Carolina—Bennettsville, Union Savings Bank; Greenville, Fourth National Bank; Jonesville, Everybody's Bank.

South Dakota—De Smet, Germania State Bank; Wolsey, Co-Operative Rural Bank.
Virginia—Farmville, Peoples National Bank.
Washington—Colfax, Farmers State Bank; Loomis, Okanogan State Bank, Branch; Othello, Othello State Bank; Seattle, Union Savings and Trust Co., Georgetown Branch.

West Virginia—Ansted, Ansted National Bank; Winona, Winona National Bank.

Wisconsin—Madison, Merchants and Savings Bank; Wittenberg, Citizens State Bank.

EDMONTON NEWS

Edmonton, Alta.—Four and a half million dollars of Holland capital will be invested in loans on farm property and inside real estate in the provinces of Alberta and Saskatchewan by the Hypotheek-bank Voor America, according to H. S. Gratama, manager of the bank at The Hague, who was in Edmonton a few days ago arranging with the National Trust Company to handle the money, a large portion of which is to be placed in the Edmonton district.

Mr. Gratama expressed the opinion that from the viewpoint of the corporation he represented, there exists to-day in Alberta and Saskatchewan the best field for investment in either Canada or the United States. Continuing, he said:

"Farm properties I consider the best securities in this country. Next to these come inside business properties in the larger cities of the West. So long as there is a big demand for money in these western provinces at prices approximately 8 per cent, our people will no doubt continue to invest in good securities. When the price of money goes down we shall look out for a field where the high rates can be obtained."

John Galt, of Winnipeg, president of the Union Bank of Canada, who was in the West with a party of directors and officials of that institution, said in the course of an interview in Edmonton, on August 24th, that the bank has more than 170 branches in the prairie provinces and is adding others in new towns along the transcontinental railroads. "On all sides," Mr. Galt continued, speaking of the progress and development of central and northern Alberta, "we see solid progress and the stability of agriculture, as exemplified by mixed farming. The crops are in excellent condition everywhere in the western provinces and the prospects for a profitable season are the best."

WISCONSIN HAS NEW BANK

State Bank Commissioner A. E. Kuolt has approved the articles of incorporation of the Rock County Savings and Trust Company of Janesville. The capital stock is \$50,000. The incorporators were A. P. Burnham, C. S. Jackman, F. H. Jackman and others.

Warroad, Minn.—The State Bank of Warroad has arranged to increase its capital from \$15,000 to \$20,000.

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Pacific Northwest Banking News

Spokane, Sept. 3.—Business conditions in Spokane have felt a decided revival as a result of the announcement of the successful financing of the New Davenport hotel, work on which is to be started immediately. The outlay will be a little more than \$2,000,000. The underwriting by the Mercantile Trust Company of St. Louis, through the Union Trust and Savings Bank of Spokane, of a bond issue of \$750,000 for the hotel, which is thought to be the largest issue ever floated for a hotel west of Chicago, is taken as a marked evidence of faith of eastern capital in the stability of Spokane and its future. The terms of the issue call for 1,500 bonds of \$500 each, bearing 6 per cent interest for ten years and maturing serially. The underwriting of the bond issue completes financial arrangements for the erection of the hotel, which will be one of the finest in the West. The total cost of building, ground and equipment will be \$2,050,000. This amount is handled by 9,000 shares of preferred stock at \$100 each, 4,000 shares of common stock at \$100 each, and the \$750,000 bond issue. Excavation of the site will begin about September 15. During negotiations for the bond issue several directors of the Mercantile Trust Company were in the city, including Festus J. Wade, president; John Scullin, head of the Scullin-Gallagher iron works of St. Louis, and J. B. Moberly, director and loan officer. It was not until a thorough study of conditions in Spokane and the Inland Empire had been made, including reports of three groups of officers and examiners who visited this city, that the trust company determined to take the issue.

Able to Move Wheat and Fruit Crops

Judge Robert S. Lovett, chairman of the executive committee of the Harriman lines' directorate, while in Spokane expressed the belief that the railroads will be fully able to move the large wheat and fruit crops of the Northwest. "But the roads will have to bend all energies to the big task," he added. Discussing financial conditions in the East, Judge Lovett said the banks are overflowing with uninvested capital, due to apprehension of investors of possible disturbed conditions of the country's finances. He expressed the belief that these fears are unfounded, and predicted that the limit has been reached in enactment of legislation restricting railroads.

Union Stock Yards for Spokane

Eleven acres of land in the Spokane valley, just east of the city, have been leased by the J. H. Roberts & Brother Company, on which they plan to erect union stock yards, with the object of developing the industry in the Inland Empire. The company has made provision for enlarging the space as necessity arises. An open market for all kinds of live stock will be maintained. An indication of the volume of stock business may be had from the fact that the same firm, operating in its present cramped quarters, shipped out \$100,000 worth of horses alone during the first seven months of this year. The Inland Em-

pire sends large sums of money East for meat products, and a decided impetus has been given the stock-raising industry in this district recently.

Edwin T. Coman

The rapidly growing significance of the Pacific Northwest in the financial world is demonstrated by the increased attention of banks of the Mississippi valley and the Pacific coast, according to a statement made by Edwin T. Coman, president of the Exchange National Bank of Spokane, on his return from the Montana State Bankers convention. "The importance of our conventions in the Pacific Northwest is shown by the fact that banks of Chicago, Minneapolis, St. Paul and San Francisco are represented at the meetings," said Mr. Coman.

Washington Crop Conditions

Washington crop conditions for 1912 are above the average for the last ten years by 5.9 per cent, according to statistics gathered by the Railway Age Gazette. According to statistics on all states, the general or composite conditions of crops combined on August 1st, duly weighed, by states, on the basis of 100 as representing the average condition (for most crops the 10-year average) of Pacific northwestern states follows: Washington, 105.9; Montana, 104.5; Idaho, 104.2; Oregon, 110.6. Harvesting is in full swing throughout the Inland Empire, following a short delay caused by rain in many sections. The splendid yields reported in all parts of this territory have had their effect on business conditions, and the situation looks decidedly hopeful.

Banking Notes

In an official opinion rendered to the Washington state bureau of inspection, J. T. S. Lyle, assistant attorney-general, held that the bank examiner should collect the fees for examining banks at the time the examination is made, and that he should transmit each day to the state treasurer all money collected by him on the preceding day. The bureau, in checking up the bank examiner's office, discovered that sometimes the banks did not re-

mit for examinations until from one day to two weeks after the completion of the examination.

The National Bank of Commerce has received from Washington, D. C., confirmation that the bank has been made a United States depository.

Returning from the Kalispell convention of the Montana State Bankers Association, Lewis E. Gary of Chicago, with Mrs. Gary, was a guest of W. L. Clark of the Spokane and Eastern Trust Company. Mr. Gary, who is assistant cashier of the Corn Exchange National of Chicago, left for the coast to complete a vacation trip.

A number of farmers in Lincoln county, Wash., took advantage of the recent lull in threshing operations, occasioned by rain, to sow fall wheat. Robert Gunning, who had Gold Coin winter wheat that yielded 45 bushels to the acre, is seeding 800 acres to fall wheat, using the dry farming method.

Inland Empire bankers who visited in Spokane this week included: F. F. McGuire, cashier of the Citizens State Bank of Juliaetta, Idaho; W. W. Downie of the First National of Harrington, Wash.; and J. L. Gualp of the First National of Burns, Ore., accompanied by Mrs. Gualp.

Charles Gates, son of the late John W. Gates, his wife and mother were visitors in Spokane last week. They went from here to Portland, Oregon.

Herbert Witherspoon, vice-president of the Spokane and Eastern Trust Company, has returned from a New York trip.

Tacoma

BY BARTON KAUFFMAN

The bank clearings for Tacoma for the week ending August 24, 1912, were \$3,783,701.37.

Washington Membership in the American Bankers Association

Secretary Kauffman reports the following additional Washington member in the American Bankers Association, Oak Harbor State Bank, thus giving Washington the remarkable total of 306 members in the American Bankers Association out of 360 banks. This is by far a larger percentage of members than shown by any other state in the Union and called forth the following letter from Secretary Farnsworth:

"August 19, 1912, New York.

"Mr. P. C. Kauffman, Secretary Washington Bankers Association, Tacoma, Wash.

"Dear Mr. Kauffman:

"Before you receive this letter you will have been advised by wire that Washington has reached the three-hundred mark. I congratulate you, for you have done some magnificent work.

"You are correct, too. If you have only 360 banks in Washington and we have three hun-



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dred of them in the American Bankers Association, you certainly have the largest proportion of any state in the Union.

"I anticipate much pleasure in seeing you in Detroit. Very truly yours,

"FRED E. FARNSWORTH,
"General Secretary."

Business Outlook

The business outlook for the Puget Sound region, and in fact for the entire state of Washington, has greatly improved during the past few weeks. The bumper cereal crops and record breaking fruit crops have stimulated all lines of business on the east side, while the steady increase of prices for lumber, shingles and lumber products in general has had a like effect in western Washington. While there has been as yet no increase in the rates for money, there is evidently a decided stiffening up, and when the crop movement becomes active, the heavy demand for money will necessarily increase the rate somewhat. The presidential campaign seems to have little effect upon business, showing that the underlying conditions are sound, and manufacturers and business men have determined not to allow politicians to disturb them. Take it all in all the outlook for this section of the United States at this time seems to be particularly bright.

City Expenses

During the month of July the city of Tacoma spent \$501,089.27. Of this amount \$307,317.12 went into the construction work of the Green River gravity water system, the Nisqually power plant, and the Eleventh Street bridge; \$37,030.09 went into the sinking and interest funds, and the balance, \$156,742.06, covers the expenses of the light and water departments and general city expenses of government.

Personals

Arthur E. Cory, cashier of the Chehalis National of Chehalis, the leading candidate for the nomination as state treasurer on the Progressive ticket, was a visitor in Tacoma during the past week.

E. T. Wilson, vice-president of the National Bank of Commerce, attended the Montana bankers convention at Kalispell last week.

John F. Harris, of Harris-Winthrop & Co., bankers of New York and London, spent sev-

eral days in Tacoma, the guest of Howard Elliott, president of the Northern Pacific Railway Company, inspecting the progress of the work on the new Point Defiance line.

Arthur G. Prichard, cashier of the Fidelity Trust Company, returned home last week after spending a month's vacation motoring with his family through Vancouver Island.

Chas. Rayhorn, cashier of the Farmers State and Savings Bank, of Grant Park, Illinois, spent several days last week in Tacoma.

SENTENCED TO PENITENTIARY

Marietta, Ohio, September 3.—Arraigned before Judge Jones in Court of Common Pleas here to-day, Harry Crooks, former cashier of the Waterford Commercial and Savings Bank, pleaded guilty to a charge of falsifying a report of the condition of the bank. He was sentenced to the Ohio Penitentiary for two years. His brother, J. C. Linton Crooks, former manager of a land company, pleaded guilty to aiding and abetting Harry Crooks in the embezzlement of \$7,500 bonds. He was given three years in the pen.

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CROPS IN MASSACHUSETTS

Attention cropwise is now occupied with the big crops in the surplus states. But the smaller eastern states are not to be overlooked in their contribution to the annual total. Massachusetts, for instance, produces crops valued at about \$10 a head, amounting this season to fully \$33,000,000. The vegetable crop alone, which does not cover more than 40,000 acres, must be worth not less than \$6,500,000. This kind of produce is grown on small farms of four acres with an average yield of \$248 an acre, compared with the country's \$13.26 average for corn, and nearly \$16 an acre for wheat. The older states should take up the propaganda of increasing the amount and variety of vegetable farm products, especially within easy reach of the city markets.

GROWING COLORADO SPRINGS BANK

Colorado Savings Bank of Colorado Springs, Colo., a comparatively new institution, is making a splendid showing. With a capital of \$50,000, surplus of a like amount and undivided profits of \$44,000, they now have a line of deposits around \$800,000. The president of this bank, E. J. Eaton, is one of the leading citizens of Colorado. Mr. Eaton formerly resided in LaSalle county, Illinois, while their cashier, F. P. Evans, is a former resident of Aledo, Mercer county, Ill. The bank is well located in well appointed quarters, and with a strong stockholders list and directory, are bound to be one of the big financial institutions of Colorado.

C. H. BOTHWELL

Sedalia, Mo.—Frank W. Hixson has resigned as cashier of the Sedalia National Bank and will be succeeded by C. H. Bothwell of Clay City, Ill., within the next few weeks. Mr. Bothwell is vice-president of the bank and formerly chairman of the Republican State Central Committee. Emmet J. Hurley has been promoted by the directors from book-keeper to assistant cashier.

KANKAKEE FAIR

Hon. Len Small, president of the First National Bank of Kankakee, Ill., and subtreasurer at Chicago, as secretary, successfully has conducted the Kankakee Fair, held in that city and which opened September 2d and closed September 6th.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

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SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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 BUSINESS AND OFFER
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 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

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 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

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CLINTON, IOWA

Capital - \$300,000.00
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An Up-to-Date, Conservative, Commercial and
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 Collections and Bank Accounts

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 County

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Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

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As a Private Bank, 1877 As a National Bank, 1887
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 KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Theodore Simmerman, W. A. Solon and C. M. Hanson are organizing a new bank at Ashton, Iowa, which is to be known as the Ashton State.

R. A. Crawford, president of the Valley National is visiting relatives at Liverpool. Mrs. Crawford is with him.

Des Moines, Sept. 4.—An important meeting of the council of administration of the Iowa Bankers Association was held in the office of Secretary P. W. Hall during the state fair last week. The main question before the bankers was what the attitude of the bankers of the state will be on the new crop improvement bureau which booster organizations of Des Moines have launched. The bankers are enthusiastic for better crop conditions but the members attending the conference were not certain as to the best means to be followed. C. H. McNider of Mason City, chairman of the agricultural committee of the I. B. A., was not able to be present. In his absence his associates thought it best not to take definite action. Hence it was voted to refer the entire matter to this committee with a request that it meet at once and arrive at some conclusion. In addition to Mr. McNider those who will confer on the question are J. L. Edwards of Burlington, C. A. Larson of New Hampton, J. A. Dunlap of Keokuk and Secretary Hall. It is probable that the committee will meet in Des Moines in the near future. The crop movement is being started and it is incumbent upon the bankers to take some action definitely establishing their stand on the question.

The question of employing a general attorney for the organization was brought up and referred to a committee. President Shade was instructed to send a committee to the National Good Roads Congress at Atlantic City, N. J. Those who were present were of the opinion that the Iowa Bankers Association should do everything in its power to further the cause of better highways. Those who attended the session were Charles Shade, president, Rock Rapids; F. B. Yetter, Davenport, vice-president; Group Chairmen, C. J. Wohlenburg, Holstein; E. W. Townsend, Lake City; T. S. Hanson, Northwood; F. A. Schuetz, Lawler; Eugene Sullivan, Panama; A. E. Hindorff, Newton; Webb Hultz, Chariton; H. S. Young, Winfield.

Crop Prospects for Iowa

Crop prospects for Iowa this year seem to improve as the season progresses. While it was stated some days ago that corn had fallen two weeks behind because of the unusually cold season, the warmth of the closing days of August improved conditions materially. It will probably be late in September, however, before the crop will be entirely safe from frost. Dr. Chappel of the Iowa Crop Bureau refuses to make an estimate on the size of the corn output. But figures based upon the government crop reports have been the basis upon which some experts figure that Iowa should produce 395,000,000 bushels this year and should take the lead of Illinois which is estimated to have a total yield of 370,000,000. George A. Wells of the Western Grain Dealers Association has made an estimate placing the total yield for the state at 348,310,000 bushels which would be a big increase over

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 and Western Illinois along broad,
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Resources - - \$3,000,000.00

L. J. YAGGY, Cashier

A. F. DAWSON, President

last year's total which was 281,366,600. He estimates the oats crop this year at 207,000,000 as against last year's yield of 120,208,300. He estimates winter wheat and barley at about twice the output for last year. The corn yield per acre, according to Expert Wells, in Iowa will be 36.6 bushels. In connection with the handling of these tremendous crops, there is some apprehension as to a car shortage. Des Moines bankers disagree on this question. Lee Stevens, president of the Century Savings, does not anticipate a shortage because he says he does not anticipate that all of the farmers are going to attempt to ship their grain at the same time. He thinks that with the care that will be taken by the railroad companies and co-operation on the part of the shippers, it will be possible to avoid any serious difficulty in crop shipments.

Estate of O. H. Perkins

The inventory of the estate of the late Oliver H. Perkins of Des Moines shows that the estate is worth \$557,845 of which \$215,667 is in real estate. His bank stock, which is included in his personal holdings, is appraised at \$274,147. This is invested in stock in twenty Iowa banks. He had an open checking account in the Peoples Savings of Des Moines of \$8,011.97. It is stated by those who know that the estate is worth more than the inventory shows because the properties are appraised at very conservative figures. Much of the bank stock is in the Des Moines Savings.

Death of R. L. Huston

The death of R. L. Huston, cashier of the Madison County Savings at Winterset, one day last week, has proved a source of much comment throughout the entire state. The body of the man was found in the back yard at the home with two bullets in the head. One bullet had entered the forehead and the other the ear, and both bullets had passed out the back of the head. The cashier had arisen early in the morning during a rain storm. He put on a rubber coat and apparently took his revolver with him. Those in the house heard the reports of the revolver. His son ran into the yard and found the corpse. There seems to be no reason for suspecting suicide. Huston was only 40 years of age, the father

of two children and successful in his business life. His accounts with the bank and the customers of the institution were found in perfect condition. Huston was very fond of chickens and had maintained a pen of fancy birds. The theory has been advanced that he heard someone in his chicken coop, that he went out to investigate and that the robbers shot him. Relatives say that had he wished to commit suicide he would have left some explanation for the deed.

F. M. Lorenzen Elected Trustee for Pilot Mound Bank

There was lively voting for trustee in bankruptcy for the Pilot Mound Bank, a private concern which recently went under because of unfortunate loans. Cashier W. H. Meservey, of a new bank which has been formed at Pilot Mound since the other went defunct, and F. M. Lorenzen, president of the City State at Ogden, were candidates for the place and Lorenzen won out. The depositors met in the office of a Boone firm of attorneys and there was a big crowd on hand.

Turns Over Property to Creditors of Failed Bank

John Swan, president of the private bank at Story City which went on the rocks when Swan's son, the cashier, skipped with all of the bank's assets and more besides, has been discharged in the bankruptcy courts. The aged man turned all of his property over to the creditors. He is broken-hearted and his health has failed rapidly since his son's departure. Detectives worked on the case a while but have failed to find trace of the missing cashier, who not only bankrupted his father, but deserted his young wife a few days before an expected visit of the stork.

Accused of Forgery

John H. Coleman, arrested at Danville, Ill., is under bonds to appear in the district courts at Keokuk and explain some transactions which resulted in a loss of \$40,000 to one Edward Braun, so the latter alleges. Three indictments returned in the courts of Lee county in 1904 accuse Coleman of forgery. The man was arrested under the name of J. D. Hill. When arraigned in court, Coleman pleaded not guilty and was released under bonds of \$5,000 to appear September 24th.

Iowa Public Service Corporation

The Iowa Public Service Corporation is the name of a new concern which is being organized at Cedar Rapids and which will be capitalized at \$6,000,000 if present plans go through. It is stated that the Harris Trust and Savings of Chicago is to bond the concern and that the plan is to organize subsidiary corporations, including various public utility companies. Dows, Smith, Reed & Cook of Cedar Rapids are most largely interested, it is stated.

Suit Result of an Old Controversy

It is given out that the suit filed in federal court at Cedar Rapids to collect a fine levied against the Citizens Savings of that city is not of a particularly serious nature. It is stated that it is the result of an old controversy growing out of reports filed, or rather not filed, some time ago when W. E. Simpson owned an active interest in the bank. Mr. Simpson, the government avers, failed to file required reports, but as he sold out and went to Minneapolis a year ago, the officers at present are not alarmed.

Fight on Office of School Treasurer

There is no doubt that the perennial fight on whether or not Iowa is to retain the office of school treasurer is to come up at the next legislature. The Better Iowa Schools Commission which met in Des Moines during the

state fair last week passed a resolution calling upon the lawmakers to abolish the statute as it is at present on the grounds that the office is unnecessary and that Iowa would save \$175,000 per year by the change. Most of the school treasurers are bankers and every year the legislature is called upon to wrestle with the question.

Iowa Banking Notes

Bonds for \$20,000 for water works improvement at Logan have been bought by the Geo. M. Bechtel Company at Davenport.

The Commercial Savings of Des Moines has filed a notice of foreclosure of a mortgage for \$10,000 on the Highland Park I. O. O. F. Building.

Mr. and Mrs. J. D. Whisenand have returned from an outing at Harbor Springs, Mich., and Mr. Whisenand is again on duty at the Central State.

William M. McGuire, banker at Buffalo Center for many years and prominent in the financial affairs of the vicinity, died quite suddenly one day last week while on one of his farms in that locality.

Steve Blain was arrested at Mason City and held for investigation on the charge of forging a check upon his employer.

The Bank of Ashton, a private institution, has been incorporated at Ashton under the name of the Ashton State with a capital stock of \$35,000. W. L. Benjamin is president, J. E. Townsend is vice-president and T. A. Olcott, cashier. The transition from private to state bank took effect September first.

A. S. Dukes has been elected cashier of the Unionville Savings at Unionville.

The State Bank of Bancroft has chosen W. H. Capsey as president and H. T. Whitaker as cashier. The capital stock is \$15,000.

C. C. Jameson, assistant cashier in the Sac County State Bank at Sac City, was married August 20th at Toronto to Miss Jessie Laing, deputy county clerk for some time.

Frank J. Eighmey, president of the First National at Waterloo, completed his twenty-fifth year of continuous service with that institution last week. He was tendered a full dress banquet at the Ellis Hotel by the officers, directors and employees of the bank. Covers were laid for thirty-five. A six course luncheon was served, after which came an interesting line of toasts. On behalf of the officers and employees Mr. Eighmey was presented with a handsome watch. It was a very pleasant gathering.

The Bank of Terril which has been converted into the First National, has a capital stock of \$25,000. Harry H. Buck is reported president, C. C. Gravatt cashier.

The Farmers Savings has been organized at Cushing with Glen Gracey president, George A. Dewell, vice-president and Ralph Evans, cashier.

BIG GAIN IN BANK CLEARINGS

New Orleans, September 3.—With an increase of fifteen and a half million dollars in bank clearings, midsummer finds New Orleans banks in a position second to that of few cities of its size in the country. While figures given by the New Orleans Clearing House Association showed that clearings for the month of August were \$77,370,052, or a million under those for the same month last year, this apparent falling off was amply made up by a comparison of the figures for two years, which showed total clearings for the year ending August 31, 1912, of \$1,032,173,568, as compared with \$1,016,748,040 for the year ending August 31, 1911, or a gain of \$15,425,527 for the year.

Sioux City

By JOHN J. BIDDISON.

A movement of much importance to the agricultural and business life of the community and state is that now well under way in this city to provide for county commissioners of agriculture in Iowa, started by the directors of the Sioux City Commercial Club locally and by similar organizations in other parts of the state. It is proposed that the large cities shall unite in demanding of the next legislature a law permitting county boards of supervisors to engage such agricultural experts, whose duties shall be to give free advice to farmers, make experiments and otherwise make themselves useful in improving and enlarging the products of the soil of the counties they serve. It is proposed that supervisors shall be permitted to levy special taxes for the maintenance of such experts. The Commercial Club would be willing to pay part of the cost, and has been assured by the crop improvement committee of the Chicago Chamber of Commerce that if an expert is engaged for Woodbury county who has been approved by the authorities of Iowa State College or by the federal agricultural department, it will pay \$1,000 toward the expense the first year. The federal government thereafter will assume \$1,000 a year of the cost. An interesting sidelight on the attitude of farmers toward the idea is conveyed in the fact that, a few months ago, when the Commercial Club proposed to raise a fund for such purpose solely by private subscription, the city of Sioux City to raise half and the remainder of Woodbury county the other half of \$5,000 for a year's work, the county would not take up the project.

Banking Notes

Paul I. Nichol, of Sioux City, is assisting in the management of the Farmers Savings Bank of Manson, Ia., during the extended illness of B. E. Sebern, cashier, who was stricken with paralysis nearly three weeks ago and continues to lie unconscious. President Fitz is daily expected home from a trip abroad.

A novel method of helping business has been put into practice by the First State Bank of Faith, S. D., which is endeavoring to revive the cattle industry in western South Dakota. The bank is offering cattle to homesteaders on shares and selling them on easy terms.

Miss Marguerite Darling, a clerk in the Security National, after an operation for appendicitis, is resting easily.

The condition of Judge C. E. Floete, a banker of Armour, S. D., who was recently operated on in a Sioux City hospital for gangrenous appendicitis, is at this time decidedly grave. The expected rally has not come, and surgeons in attendance fear he cannot survive.

Among the visiting bankers in the city this week have been the following: E. L. Bridge, assistant cashier First National, Mt. Vernon, S. D.; J. H. Anderson, cashier Farmers National, Bridgewater, S. D.; J. M. Brooks, president First National, Newell, Ia.; J. H. Tentinger, cashier German Savings Bank, LeMars, Ia.; H. A. Dixon, president First State Bank, Presho, S. D.

TEXAS BANK LIQUIDATES

The Farmers and Merchants State Bank, Kenedy, Texas, which was organized there last week, has purchased the entire stock and assets of the Kenedy National Bank, and the latter concern is now being liquidated through the new institution. The capital of the Farmers and Merchants State Bank has been increased from \$30,000 to \$50,000, and headquarters will be moved into the Kenedy National Bank building.

JAMES K. LYNCH ON BANKING POSSIBILITIES OF THE WEST

(Continued from page 9)

Institute who are daily brought into direct contact with the depositors, either in the bank or out of it, can render signal service through educating them as to the true nature of money, and the real service which the bank renders.

Obviously the foregoing is a digression from our topic, which you may remember was the Banking Possibilities of the West. I hope that I have not given you the impression that the West is still a raw, undeveloped country. On the contrary, there are many large cities with fine buildings and beautiful homes, up-to-date shops and well equipped factories; there are libraries and churches, schools and universities, theatres and country clubs, and there are many strongly capitalized banks. There are still a few, but only a very few, places where the country store is serving as a bank, and these are being sought out and banks are being established, often in advance of the immediate needs. The banker has often both to serve and to wait for his profit. The essential thing about the West to-day is that it is a region that has found itself; that has been shaken together until each place has learned the use for which it is fitted, and is filling that use. It is a region of exceptional richness, exceptionally favored by nature, and capable of supporting in comfort a population ten times as great as that which it now has. In such a region, with such conditions, there must be, and there are, a great many possibilities for the banker. The farmer, the merchant and the manufacturer alike require accommodation; short time loans against salable produce and usable merchandise; this furnishes the field for the commercial bank. The home builder and the farmer, while he is improving his land or while he is paying installments on it, requires more permanent loans, based on mortgage security; this is the opportunity for the savings bank; the building and loan association, and the farm loan company. The builders of railroads, irrigation works, power developments and trolley lines require capital for a long term of years; here is the opening for the investment banker and for the bond house.

All of these fields are now filled in a measure, but each half decade will show wider and larger fields which will take more men and more capital to fill. It is probable that we are on the eve of a considerable change in the banking business, which will grow out of the establishment of a national reserve association or a central bank or an institution by whatever name it may please Congress to call it, which will act as a main reservoir for the gold reserve of the nation. When I say eve, I do so in the sense in which a historian might use the word, having in mind a day which covers a considerable period of time, for there is no immediate prospect that Congress will pass the needed legislation. In spite of the fact that the currency commission was non-partisan in its character, and that the work of the commission, as embodied in the bill creating a national reserve association, shows the most scrupulous care to keep the association free from either political or speculative control, the demagogues in both of the great political parties cannot resist the easy opportunity to make political capital out of a subject that is no more political in its nature than is the multiplication table.

I think the principal change to follow the establishment of a central reserve association will be a more careful segregation of commercial banking and investment banking. Whether the idea of the department store bank in which the same institution conducts a commercial business, a savings business and an investment business, proves successful or not, does not matter. The important point is that,

whether conducted by separate banks or by one bank, the essential difference of each must be recognized and each form of liability must have its appropriate investment. Particularly in the West it is true that a large proportion of the assets in which commercial deposits are invested are fixed instead of being liquid in character. In a new country requiring roads, buildings and permanent improvements of all kinds, yet having but little capital seeking permanent investment, it is almost inevitable that this should be the case. As capital increases in the banks with the recurrent harvests and sale of produce, in the absence of safe short time investments, it is apt to be placed in loans which are based, more or less, on real estate, even if not in form mortgage loans. It is a well established principle that only funds repayable after notice, and funds that from their nature will not be required by the owners for a considerable time, should be put into fixed investments. The gradually increasing savings accounts and the building loan go together as naturally as does the suddenly made commercial deposit with a ninety-day or a four-month note.

The increasing investment by the western banks, in what we have come to call commercial paper, is a step in the right direction, for it gives them an asset that is paid when due without disturbance of local finances. That there are possibilities of loss in connection with such loans we all recognize, but in diversifying the loans the probability of great loss is lessened, and the bank in the most remote quarter of the country obtains an asset that is negotiable in any of the commercial centers. The bill authorizing the national reserve association not only makes such assets a necessity, but by giving banks the right to accept time drafts it leaves the way open for the establishment of a discount market where the highest grade of paper can always be sold at a price; a price that will vary with the supply of, and demand for, capital, but a market that is always open. When this has been achieved, and not till then, will the commercial interests of the country be adequately financed; and when I say commercial interests, I mean not only the merchandising interests, but the manufacturing interests and the agricultural interests; in fact, all the great industries which give employment to labor. Such an apparently remote subject thus comes home to all of us throughout the length and breadth of the land.

It is instructive to note that about all we can ever expect of legislation is the removal of artificial restrictions which have been placed by law on the natural development of economic forces. Had the business of banking been unregulated by law, these problems would have been already worked out to a satisfactory solution. The only regulation that is really needed is an adequate and non-technical enforcement of the laws against grand and petty larceny. An excellent example of the way in which banking business, when unrestrained, adapts itself to commercial needs is found in the evolution of the check system which, in the United States, has reached a development greater than in any other country, and which had helped to supplement deficient capital and has made it more responsive to varying demands.

The troubles of the bankers in this country have not all been due to the perversity of depositors, and to the ignorance of legislators; many of them have come from the inexperience and lack of training of the bankers themselves. There was much excuse for such defects when the country storekeeper by force of circumstances became the banker, and let me say that many of them have become most excellent bankers; prudent, cautious and sagacious. But the occasions that brought inexperienced and untrained men into the banking business have

gone never to return, and with them the excuses must go also. Now, more than ever, the need is for trained men; men who know the principles and the ethics of banking, those fundamentals which precede and in the end must supplement, if not supersede, law. The American Institute of Banking gives all of you an opportunity to become grounded in these principles and with opportunity comes responsibility. The excuse of ignorance is no longer good, for the way to knowledge is open.

The ideal that the young banker must keep before him is to so administer the trust committed to his charge that the bank will help the community to grow and prosper, to the end that the community will help the bank to grow and prosper, and it can be done only by showing the depositors that their interests and those of the bank are identical. If this is your ideal, the West wants you and holds for you great possibilities of success, not always, it may be, great in point of money return, but great in the satisfaction that is the reward of needed work well done.

THE OLD AND THE NEW

BY A. RODMAN

The quiet little village of Sheldon lies sprawled out on the flat bosom of Mother Earth in an agricultural district where crop failures are unknown. Here corn is king, and year after year the golden harvest is gathered in such abundance that the word poverty is not in their dictionary, and the community is at peace with all the world.

Sheldon has enjoyed the privilege of having two banks for many years, and both have been prosperous. Neither one had treated itself to any improvements for so long that they simply got into the habit of being slouchy in appearance without being conscious of it.

Mr. Snow, the cashier of one of these banks, lived in a home in which he took great pride. He kept his grounds in fine condition, and had most of the city conveniences, some of them obtained at great expense. He had the nicer banking quarters of the two, but one morning upon coming into the old bank an inspiration struck him, the result of which was that the writer of this story was sent for and the bank remodeled and refitted and decorated in what was considered an extravagant manner.

But the public liked the idea.

They got just as good treatment as before, were not charged any higher rates of interest, and, naturally enough, business grew and the cost of the improvement became a good investment.

Arthur Bishop was the bookkeeper in this bank, and it was not long after this that he got an inspiration. He would start a new bank somewhere, fix it up in fine style, and become a cashier instead of a mere bookkeeper—"a cog in a wheel," as he put it. But where could he start a bank? There didn't seem to be any place where another bank could start with any assurance of success.

But the old saw says: "Where there's a will there's a way." (The cynic paraphrases it into "Where there's a will there's a lawsuit.") The opportunity lay right at his door, and when he discovered it he made all possible haste, for it seemed to be staring everybody in the face.

The village of Kentland was almost a twin to Sheldon, and only seven miles away. The one distinctive difference lay in the fact that it had but one bank, which had been "monarch of all it surveyed," financially at least, for lo, these many years.

Of course, it was rich,—and not a few said it was haughty and arbitrary and not so obliging as it ought to be, and here was Bishop's opportunity, although those whom he first approached on the subject gasped at the very au-

dacity of starting another bank. But Bishop had his convictions. He knew where he could get practical ideas for the banking plant, and before his building was started the old bank began to realize how shabby their quarters were, and in order to head off these nervy fellows who dared such a piece of affrontery they called in an architect widely experienced in general practice, but who had never built a bank. Plans were drawn and practically accepted when the designer of the new bank happened to drop into the old bank (at Bishop's suggestion!). But his offer to make plans for them was promptly declined, for two alleged very good reasons, the first being that they already had very good plans, and also for the best reason of the two, to wit: He had the other bank, and they didn't propose having their bank just like the other one! A single statement, however, showed the utter fallacy of their argument, and in a couple of hours preliminary sketches were made and accepted, and the bank was built and equipped accordingly.

What became of the new bank? Well, this is just what happened to it: By the end of the first six months they had \$100,000 on deposit! And yet here was a community where there was no room for another bank.

No, the old bank didn't go out of business; they kept right on, and while the other bank was scurrying around for depositors the old bank managed to do a little scurrying too, and succeeded in annexing about \$25,000. Not so bad for what had always been looked upon as a one-bank-town.

But if you would see those two banks, and the remodeled one where Bishop was before, you would understand what created the new business. Both banking plants are up-to-the minute in every detail, and being such inspire the confidence of the community, and without confidence there would be no banks.

EXPORTS OF AMERICAN AUTOMOBILES IN THE FISCAL YEAR 1912

Thirty million dollars' worth of American automobiles found markets abroad last year, against less than one million dollars' worth ten years ago. Figures just completed by the Division of Statistics of the Bureau of Foreign and Domestic Commerce show that the exports of automobiles to foreign countries in the fiscal year 1912 were valued at twenty-one and one-half million dollars, and of parts thereof, including tires, six and three-quarter million dollars. If to this were added the shipments to Hawaii and Porto Rico, we get for the year's sales of American automobiles outside of continental United States a round thirty million dollars, since the value of automobiles and parts thereof sent to Porto Rico was nearly one million dollars and to the Hawaiian Islands a little over one million dollars. The total number of machines exported to foreign countries was 21,757, valued at \$21,550,139, averaging slightly less than \$1,000 each; while those to the noncontiguous territory were higher, averaging \$1,600 each. The export price of American automobiles in 1912 averaged less than in any earlier year in the history of the export trade. The average for 1912, dividing the total number of machines exported into stated value, was \$990 each, against \$1,100 in 1911, \$1,380 in 1910, \$1,700 in 1909, and \$1,880 in 1908.

On the import side, the automobiles imported last year amounted to but about two million dollars in value, against more than four million in 1907. The average import value of the automobiles brought into the country last year was \$2,216 each, against \$2,138 in 1911, \$1,936 in 1910, \$1,788 in 1909 and \$2,392 in 1908. Thus the export price of American machines has fallen from \$1,880 in 1908 to \$990 in 1912,

while the import price of foreign automobiles entering the country has only fallen from \$2,392 in 1908 to \$2,216 in 1912, the reduction in price on the export side being 47 per cent, and on the import side but 8 per cent.

Even the remarkable growth in the exports of American automobiles noted above has not kept pace with the growth in production at home, since the census of 1900 showed the value of automobiles manufactured in the United States in 1899 at \$4,748,000, while that of 1910 showed \$249,202,000 as the value manufactured in 1909. The wages paid in the automobile industry, as shown by the census report, aggregated \$1,321,000 in 1899 and \$48,694,000 in 1909; the capital employed in the industry in 1899, \$5,769,000 and in 1909, \$173,837,000; and the number of wage earners employed, in 1899, 2,241, and in 1909, 75,721.

English-speaking people are the chief purchasers of American automobiles. Of the 21,757 exported in 1912, 6,288 went to Canada, 5,716 to the United Kingdom, and 3,625 to Australia and New Zealand; the next largest number, 1,611, being credited to South America, while European countries other than the

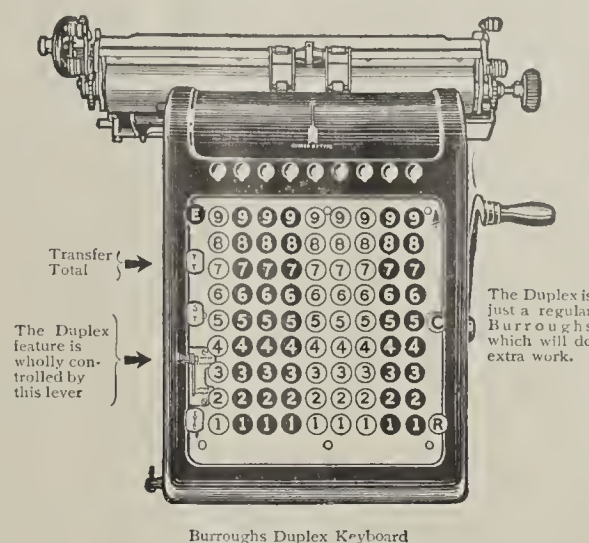
United Kingdom took 2,296. Of the 963 automobiles imported into the country in the fiscal year 1912, 401 were from France, 188 from the United Kingdom, 131 from Italy, 116 from Germany, and 127 from all other countries.

NEW TEXAS BANK

The Planters State Bank at Harlingen, Texas, opened for business last week in temporary quarters. The managers are on a trade for a permanent location. Stock will now be offered for sale to local purchasers. The Planters starts out under the most favorable auspices, with a capital of \$10,000. The institution was incorporated by A. B. Slack, I. B. McFarland, E. P. Gregg, E. J. Yates and B. H. McFarland. Mr. Slack is president of the bank and I. B. McFarland cashier.

The phenomenal growth of Harlingen in the past year has made another bank necessary to handle the city's constantly increasing financial business.

E. J. Armstrong has been elected cashier of the Security State Bank, Terry, Mont.



Burroughs Duplex Keyboard

New Duplex Check Journal

The Germania National Bank of Milwaukee is using a new thing in Check Journals.

It enables them to separate checks into individual accounts for convenience in posting.

The Germania Bank has given us permission to send out a copy of this Check Journal form to other banks, showing 258 separate checks, representing 90 individual accounts.

Each of these 90 accounts, is totalled so the *amount only* of each account need be posted. The Duplex (multiple total) Burroughs Adding Machine enables the operator to get individual totals for each account and a grand total of all checks in all accounts for the day *at one operation*.

Ask for Systems Form No. 459 and we will send you a full size page from the Germania Bank's Check Journal, without cost or obligation to you.

Burroughs Adding Machine Company

65 Burroughs Block, Detroit, Michigan

European Headquarters—76 Cannon Street, London, E. C., England

Duplex Wonders

With the Duplex (multiple totals) Burroughs you can:

List Yesterday's and Today's balances in separate columns with separate totals *at one operation*.

Prove Daily Mail, getting a total of all the items of each letter and a grand total for all letters, at one operation.

List Balances and Overdrafts, with separate totals, at one operation.

Total One and Two name paper, separately, at one operation.

List face of paper and interest accrued, with separate totals, at one operation.

And many other things you could not do on any other machine.

The machine is a regular Burroughs *and* the other things besides. It can be used for any figure work that any other machine can be used for, in addition to the new wonders it makes possible.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE

Fixtures For Sale. Through a consolidation of banks we offer about forty feet of golden oak fixtures, with marble base, at very low price. These fixtures were new two years ago and have been but little used. Home State Bank, Montrose, Colo.

Will Sell. Controlling interest in several banks in the Northwest. Investment required, \$5,000.00 to \$50,000.00. No trades. All dealings strictly confidential. C. B. Enkema & Company, 236 Security Bank Building Minneapolis, Minn. References—Any Bank or Commercial Agency here.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

FOR SALE—Miscellaneous

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$105.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9½-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Department of New Business

NORTHWEST

Pesotum, Ill.—The Farmers & Merchants Bank of Pesotum has obtained a charter. Henry Pfeffer, G. E. Davis, August Lietz, W. W. Eisenmenger, E. F. Wirth, F. L. Best, Charles Eisenmenger and G. F. Kleise are interested.

Warroad, Minn.—The Security State Bank will open about September 1st with \$15,000 capital and T. F. Spreiter cashier.

Renville, Minn.—O'Connor Bros. State Bank has incorporated with \$30,000 capital.

Medford, Minn.—The First State Bank has been incorporated. J. F. McKinley, S. W. Kenyon, A. L. Fowler and C. C. Cleveland are interested.

Minneapolis, Minn.—The Citizens State Bank has been incorporated. F. A. Daniels, of Lakeville, and T. O. Gullick are interested.

Kief, N. D.—The Kief State Bank has been incorporated. E. F. Volkmer of the Farmers State Bank at Fessenden, is interested.

Binford, N. D.—The Binford State Bank has been chartered with \$20,000 capital. H. P. Hammer of Cooperstown, N. D. and A. J. Melgard of this place are interested.

Berlin, N. D.—The Bank of Berlin has just been organized with E. O. Bartz as president and J. E. Laingin cashier.

Stockton, Mo.—The Sac River Valley Bank has been incorporated by J. M. Hudson, C. H. Haden, E. S. Smith and others with a capital of \$10,000.

Republic, Mich.—The State Bank has been organized with a capital of \$25,000 and a surplus of \$6,500.

Kennard, Ind.—The Kennard State Bank will shortly be opened. Gentlemen interested in the Citizens State Bank, New Castle, are interested.

Munith, Mich.—John G. Harr is president. Edward R. Carley vice-president and B. S. Rockwell cashier of the new banking firm of Harr-Carley & Co.

Friendship, Ind.—The Bank of Friendship is new with Henry Heitmeyer president and W. S. Lem cashier.

WEST

Ayr, Neb.—The Farmers State Bank has been organized with \$15,000 capital. C. L. Bonham, Mae Bonham, C. S. Woodworth, P. T. Kindig and Theodore Bachman are interested.

Labette, Kan.—The following are interested in the establishment of a new bank: Dr. J. W. Henderson, Dr. W. J. Connor, William Watson, H. J. Foster, who will be president, and L. S. Dick, who will be cashier.

Anaheim, Cal.—The Southern County Bank has been organized with \$12,000 capital. Russ Avery, C. B. Jones, J. W. Phelps, Boyle Workman of Los Angeles and A. Nagel, C. A. Boege, J. B. Neff, S. Hayden and D. Gervais of this city are concerned.

Tehama, Cal.—The Tehama County Savings Bank has been organized with a capital of \$50,000. Harry A. Hunt will be cashier. The directors are Alden Anderson, H. A. Hunt, W. H. Samson, J. L. Donuovan and William Dale.

Donald, Ore.—James P. Filler, Gustavis A. Cone and Jess Hayes have filed incorporation papers for a new bank with a capital of \$15,000.

Las Vegas, N. M.—The Peoples Bank and Trust Co. has been organized by J. Eugene Brown of El Paso, and Minor Meriwether and J. W. Harris.

Everett, Wash.—The Citizens Bank and

Trust Co. has been chartered with \$100,000 capital.

Provo, Utah.—Jesse Knight the well known mining man will be president of a new bank here and W. O. Creer, at present manager of the Utah Construction Co., will be cashier.

Watts, Okla.—The Guarantee Bank has been incorporated by T. A. Cates and J. L. Russell of this place, K. G. Comfort of Westville, F. C. Adair of Dutch Mills and F. S. Howard of Baron.

Locust Grove, Okla.—The First State Bank of Locust Grove has been incorporated by the following: W. B. Kane of Joplin, Mo., L. W. Ross, W. A. Markham, Lee A. Daugherty of this place; T. C. Harrill of Wagoner, C. B. Guinn of Carthage, Mo. and H. C. Henson of Carterville, Mo.

SOUTH

Nashville, Tenn.—The Head Real Estate and Trust Co. is organizing here authorized to do a banking business. John W. Head, George M. Jackson, Jr., J. R. Harwell, P. M. Estes and A. J. Grigsby, Jr., are interested.

Memphis, Tenn.—The Commonwealth Trust Co. is organizing with a capital of \$1,000,000. G. H. Barney of Gloster, Miss., will be president, P. P. Williams, vice-president and A. Y. Allen, cashier.

Beattyville, Ky.—The Peoples Exchange Bank has been chartered with a capital of \$15,000. The incorporators are D. B. Redwine, W. S. Thomas, J. K. Roberts, Logan Thomas and J. H. Evans.

Harlingen, Texas.—The Planters State Bank has incorporated. A. B. Slack and I. B. McFarland, E. J. Yates, E. P. Gregg and B. H. McFarland are the incorporators.

Kenedy, Texas.—The Farmers and Merchants Bank has been organized with \$30,000 capital. L. E. Bain is president, Clem Reasner vice-president and Miss Annie Rawls cashier.

Houston, Texas.—The Pan-American Trust Co. is organizing here with \$100,000 capital. The incorporators are A. F. Fincher, H. E. Cassland, Russell Ramsey, George W. Boynton and S. N. Craig, all of this city.

Prairie Grove, Ark.—The Citizens Bank has been organized with \$30,000 capital. Dr. W. H. Mack is president.

Section, Ala.—The Section Bank has been organized with a capital of \$10,000. The officers are E. R. Smith president and G. B. Phillips vice-president.

Falco, Ala.—The Bank of Falco has been organized here with \$15,000 capital. J. H. Givens of Laurel Hill is president.

Yamassee, S. C.—The Bank of Yamassee has been organized with \$10,000 capital. W. E. Richardson is president, W. D. Sanders vice-president and W. M. Eubanks cashier.

Jackson, Miss.—The Security and Trust Co. is organizing. A. M. Alexander is president, W. G. Morgan vice-president and B. H. Blacklock cashier.

EAST

New Haven, Conn.—The Broadway Bank and Trust Company will shortly open for business. John B. Kennedy will be president, R. S. Pagter, F. S. Ward, F. S. Platt, H. M. Osborn and Senator J. F. Shanley are interested.

Kansas City, September 3.—Nothing to indicate death by poisoning was found in the viscera of E. C. Trumbo, a banker of Savannah, Mo., according to the report of Dr. Roy Cross, city chemist, made public to-day.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

special. He will be seated with A. V. Lane, wife and daughter of Dallas, Texas. Mr. Forbes began his banking career in Mr. Lane's bank. He has been very active in establishing a new country club at St. Joseph and in putting up a reform city ticket, which was needed quite badly. St. Joseph, like many other cities where certain fixed interests have been allowed to gain control, had fallen into a rut. The awakening has been very beneficial.

THE Bank of Rogers, one of the oldest financial institutions in northwest Arkansas, has been incorporated with a capital of \$150,000. It was founded in 1883. Whether or not the new institution has taken out a charter for a sawmill or a leather factory, or some other form of corporation than banking, is not known at present. There is not any opportunity of taking out a bank charter in that state as yet.

MISSOURI as usual has made good. She has reached a membership of 500 in the American Bankers Association and thus will qualify A. D. Buckner of Paris as a member of the executive council at Detroit.

SECRETARY KEYSER gives the credit for this achievement primarily to the persistent efforts of J. S. Calfee of St. Louis and C. G. Hutcheson of Kansas City. Of course they were assisted by other bankers in the state, for it is the habit of the membership of the Missouri Bankers Association to co-operate.

THIS same "stunt" could have been pulled off in Illinois, most likely, under the same energetic system employed in Missouri. Illinois has needed but a few members for some time to qualify another member of council. Probably after the Peoria convention the association may take on a new lease of life.

SO we are to have another "Round-Robin" at Detroit, directed as usual at the Journal published at 5 Nassau St., New York City, by the A. B. A. That important publication is charged with creating improper competition with other financial papers.

THE original "Round-Robin" was filed at the Briarcliff meeting of the council, but was passed over to Detroit for further consideration. The signers of the latest one are those who signed the first one, and with few important exceptions include most of the financial and banking papers published in New York City. The new declaration claims that not one additional member of the A. B. A. ever has been gained by the publication of the Journal; that it costs too much and that the present policy of running it is all wrong.

OUT West the Journal occupies a very high position with the members of council, with the membership of the American Bankers Association and with the membership of the American Institute of Banking. Extended inquiry among users of the Journal gives it a very high rank as a distributor of information tending to prevent crimes against banks and toward the detection of criminals.

SOME persons think that the New York papers which are so violently opposed to the Journal and its publication by the American Bankers Association do not get a clear view of the situation owing to their environment.

THE Mechanics-American National of St. Louis gets out one of the very best monthly financial letters issued by any bank in the Middle West. It can be had free of charge regularly by those who apply for it. The September 2d issue points out a considerable expansion of business in St. Louis territory, and states that for a number of years the trade out-

look at this date has not been nearly so encouraging as it is at the present time.

SECRETARY WILLIAM J. HENRY of New York has enclosed to all of his members a copy of "Chapter 340," which relates to borrowers who attempt to obtain property or credit by the use of false statements. Other references to this new law will be found elsewhere in this issue.

SECRETARY ARCH B. DAVIS has sent out invitations for the twentieth annual convention of the Kentucky Bankers Association to be held at the Henry Watterson Hotel, Louisville, October 2d and 3d. Bankers are invited.

AMONG the speakers will be C. R. McKay, manager of the transit department of the First National of Chicago. In addition to Mr. McKay there will be a number of other speakers, most of whom will represent member-banks within the state.

MAGIC moving picture post cards showing "our next president" are being sent out by the Blackhawk National of Waterloo, Ia. They are very clever.

STOCKYARDS NATIONAL at Fort Worth is using a fine, quadruple mounted calendar with fine landscape in soft, low tones, which is very effective.

"SPIRIT, Purpose and Method of Saving Money" is a little booklet of most unusual merit issued by the Wachovia Bank and Trust Company, of Winston-Salem, N. C. It is so good that it is being attributed to the redoubtable Col. Fries himself, head of the bank and of the big trust company section, A. B. A.

QUITE a kick has been filed because John R. Washburn appears to be down for both first and second calls at the Banquet-on-Wheels. Fact is, J. R. was holding one of the seats for an out-of-town correspondent.

EDENS, after a month on the plains, is back on the job. He even looks like a farmer now and certainly he talks like one.

TWENTY-ONE reservations for Nebraska on the big special to Detroit. Pretty good work shown by Secretary Hughes.

HOW can you beat Iowa? R. E. Gamble, who travels out for the Drovers, discovered a bank out there which he thinks is entitled to the record.

BONDS PAYING 5 TO 6%

	To Net You
Spokane & Inland Empire R. R. 5s (1926) - - - - -	5.00%
Virginian Railway First 5s (1962) -	5.05%
E. St. Louis & Suburban 5s (1932) -	5.25%
California Gas & Electric Un'g & R'g 5s (1937) - - - - -	5.27%
Springfield (Mo.) R'y & L't 5s (1926)	5.50%
United R's St. Louis Gen'l 4s (1934)	6.00%
Street's Western Stable Car 5s (1916)	6.00%

Send for full descriptions of these and other Municipal, County, Railroad and Public Service Corporation Bonds—all thoroughly safe and adapted to the most advantageous investment of the funds of your institution. We shall be glad to reserve bonds for July delivery. Write us today.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

DONAHUE SAVINGS is at Donahue, a town of only forty-seven inhabitants, and has deposits of \$287,654.28, on a capital and surplus of \$30,316. The eight officers and directors include nearly every male inhabitant of suitable age. Frank Keppy is president and Frank Keppy, Jr., is cashier. All the others appear to be German-Americans.

THE ratio is about \$6,120 in deposits to each inhabitant and if you know of anything to beat it, let us know.

THEN there's the Blue Grass Savings, suburban to Davenport, with \$320,900.36 in deposits and only 250 population, counting everything in sight. The capital is \$25,000 with surplus of \$20,166.43. Can any other state enter the prosperity competition with Iowa?

IT is doubted if any foreign country can show any equally small communities which can beat American small towns in thrift and saving.

MOST of those who are opposing bank supervision in Illinois and who are going to Detroit will go by boat via Mackinac. "Judge" Montgomery, vice-president of the Illinois Bankers Association, has been spending the summer there and he and the secretary have organized a "conference" trip. Do you get the idea?

THE "situation" in Illinois remains "peculiar" and a correct solution of the problem still is up to the young progressives, and up hard.

CASHIER.

PHOENIX, ARIZONA, A GROWING CENTER

Phoenix, Arizona, has been making rapid strides of late years. It is the capital of the new state of Arizona and its busiest city. The population is about 18,000, to which are added about 3,000 visitors during the winter months. The city has modern improvements; electric lights, car service, sewer system, water supply, paved streets and cement sidewalks. Substantial growth is shown by the increase in the postoffice business, which, during the year ending June 30, 1912, amounted to \$84,890.23, an increase over the previous year of \$10,229.23. Maricopa county, Arizona, has a total assessed valuation of \$28,007,800, a gain of \$7,000,000 over last year. This figure does not include county or state property, or school lands or buildings. Land under cultivation covers 164,191 acres with an assessed valuation of \$7,968,572. On June 14, 1912, the four banks in Phoenix had total resources of \$7,094,793.29; in April, 1911, the resources amounted to \$5,965,569.33. The strength of the financial institutions of Phoenix is well established throughout the country. During the panic period of 1907 and 1908 its banks paid cash. It is estimated that at the present time an average of two houses per day are being built in the city. A year ago the estimate was a house and a half per day. Over 150 houses are in the course of construction at the present time. The federal building rapidly is approaching completion, and plans are being laid for an eight-story office building. Plans for further utilizing power possibilities of the Salt River project are being considered by Reclamation and Water Users Association officials. Offers to take 10,000 H. P. at a price of \$400,000 have been received from important mining companies, and the contract now is under advisement. The Salt River project will develop a total of 27,000 H. P. when all sites are utilized. Big revenue will result from power features and be applied on cost of reclamation works.

E. J. W. Kohlhasse has been elected cashier of the Farmers State Bank, Bertha, Minn.



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

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ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
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EDMUND D. HULBERT, Vice-President
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Field Estate

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Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

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ALFRED L. BAKER	-	DAVID R. FORGAN, President	
H. E. OTTE	-	HENRY MEYER	- Assistant Cashier
F. A. CRANDALL	-	A. W. MORTON	- Assistant Cashier
L. H. GRIMME	-	WM. N. JARNAGIN	- Assistant Cashier
W. T. PERKINS	-	WALKER G. McLAURY	- Assistant Cashier
W. D. DICKEY	-	R. U. LANSING	- Manager Bond Dept.
		M. K. BAKER	- Asst. Manager Bond Dept.

New Trains to ST. LOUIS

VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
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Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
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Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
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ILLINOIS CENTRAL

City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

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The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

FRANCIS B. REEVES
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Vice-President
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

SEPTEMBER 14, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

At Detroit

New Officers 1912-1913

President—Charles G. Huttig, St. Louis.

Vice-President — Arthur Reynolds, Des Moines.

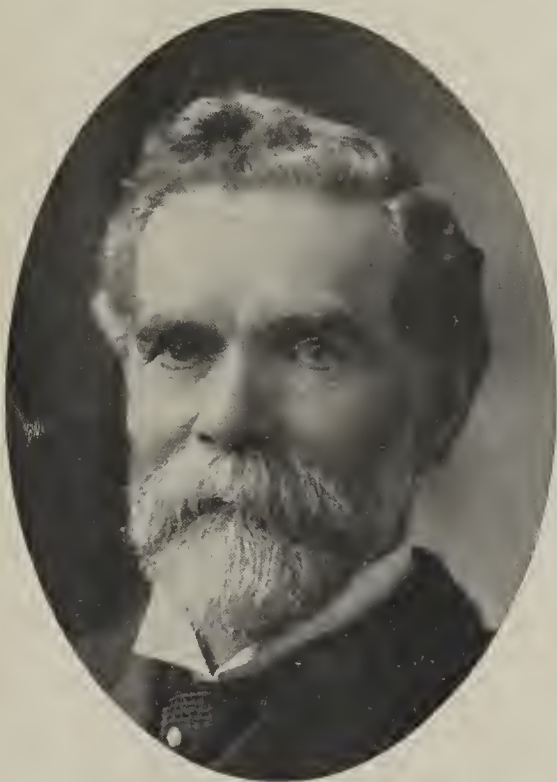
The thirty-eighth annual convention of the American Bankers Association held in Detroit this week was one of the most successful ever held in the history of that sterling organization. The sessions of the A. B. A. proper were held in the Detroit Opera House on Tuesday and Friday, and were presided over in an able and dignified manner by William Livingstone, president of the Dime Savings Bank of Detroit. The various sections into which the association is divided held separate sessions on Wednesday and Thursday mornings in the Hotel Ponchartrain, presided over by their respective presidents. A detailed account of the proceedings of these various meetings will be found elsewhere in this edition of THE CHICAGO BANKER.

The gathering resembled in every respect a national political convention. In solid rows in the parquet of the theatre sat the accredited delegates. In the balcony were the guests of the delegates, the majority of them wives and daughters. Wives and other relatives of the officers of the association were given seats in the boxes. The delegates were seated according to states, each section being indicated by blue silk banners, with the names of the respective states lettered in gold.

In the center of the stage sat President Livingstone. At his left was Governor Osborn, and at the right Col. Robert J. Lowry, of the Lowry National at Atlanta, an ex-president of the association, often referred to as the "grand old man" of the convention. Governor Osborn, in one of his characteristic speeches, extended the welcome to the visitors and delegates on behalf of the state, mystifying his auditors with the large number of unusual words which he handed out. He wound up by drawing a word picture of the morning sun lighting up the lands and waters of Michigan, and the ebony night settling down over all this expanse, and assured the bankers that while they were there it was all their own Michigan. In the absence of Mayor Thompson, Alderman John C. Lodge gracefully extended the welcome on behalf of the city. Other addresses of welcome were delivered by George H. Russel, president of the Detroit Clearing House, an ex-president of the association, and Homer Warren, president of the Detroit Board of Commerce. Col. Lowry delivered the response. He recalled the 1897 convention in Detroit over which he presided, and feelingly spoke of the entertainment that year. He declared that Detroit hospitality was equalled only by that of his own city.

A resolution was adopted by the convention on Tuesday afternoon, the spirit of which is that agitation for national banking and currency reform will be suspended except in co-operation with other organizations and individuals in devising a more efficient and satisfactory financial system. This resolution was the result of the discouraging report presented by the currency commission of the association. The report pointed out that there is

Outgoing and Incoming Presidents



WM. LIVINGSTONE
DETROIT



CHARLES H. HUTTIG
ST. LOUIS

William Livingstone, the retiring head of the A. B. A., did much to increase the prestige and usefulness of the association during his term of office. His marked executive ability and efficiency have been potential factors in the growth and development of the organization.

Charles H. Huttig, the incoming president, is one of the most popular members of the association. His forcefulness and aggressiveness admirably equip him to guide the destinies of one of the strongest and most influential organizations in the world.

very little hope for obtaining remedial legislation by the short congress which convenes this fall, and it is believed that it will be necessary to look to the new national administration for the desired reform. The resolution was presented by Festus J. Wade, a member of the currency commission, and president of the Mechanics Union Trust Company of St. Louis.

At the Tuesday session, John F. Seely, president of the Commercial Savings Bank at Caro, Mich., delivered an appeal for a new form of bank note which he believes will save incalculable time in counting. He proposed denominational numbers on the four corners of the face of the note only, printing the back in fine script, thus forcing the depositor to arrange the currency himself before handing it to the teller. He believes that while there is so much talk prevalent about the conservation of our natural resources, it might be advisable to pay a little attention to the conservation of our time.

Senator Charles E. Townsend of Michigan failed to put in an appearance at the first day's session. President Livingstone stated that no reply had been made to the invitation of the association. This session developed a number of reports on subjects vital to the interests of the banking fraternity. Thornton Cooke of

Kansas City, reporting for the committee on express companies and money orders, told of the increasing demand for the travelers' checks of the American Bankers Association, and sharply criticized the express companies for monopolizing a large share of this business, which rightfully belongs to the banks. He pointed out the fact that express companies, while not operating under any kind of supervision or inspection, are doing a large banking business in competition with banks which are under the strictest control of the state and national governments.

Andrew J. Frame's resolution providing that an amendment to the constitution be adopted, the purpose of which was prohibiting ex-presidents of the association from membership ex-officio in the council until three years after their terms as president have expired, was not adopted. Secretary Farnsworth, after reading the resolution, stated that the council had considered it and recommended that it not be adopted. He said that plans were under way for a revision of the constitution. Mr. Frame then made a motion that no action be taken on the resolution until after the committee on revision had made its report. This was carried and a committee appointed to revise the constitution and report

(Continued on page 55)

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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RALPH VAN VECHTEN	Vice-President
ALEX. ROBERTSON	Vice-President
HERMAN WALDECK	Vice-President
JOHN C. CRAFT	Vice-President
JAMES R. CHAPMAN	Vice-President
WM. T. BRUCKNER	Vice-President
WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

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HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
WILSON W. LAMPERT	Assistant Cashier
DAN NORMAN	Assistant Cashier
FRANK L. SHEPARD	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

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LEIPZIG
GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depository

Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,267,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Security National Bank MINNEAPOLIS

Capital	\$1,000,000.00
Surplus	2,000,000.00
Deposits	19,000,000.00

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F. G. WINSTON, Vice-President	FRED SPAFFORD, Asst. Cashier
PERRY HARRISON, Vice-President	GEORGE LAWTHIER, Asst. Cashier
E. F. MEARKLE, Vice-President	STANLEY H. BEZOIER, Asst. Cashier
J. S. POMEROY, Cashier	WALTER A. MEACHAM, Asst. Cashier

Mainly About Banks and Bankers

CONVENTION notes:

VERY first on the ground was Louis G. Kaufman, president of the Chatham and Phenix National, New York. L. G. was president of the Michigan Bankers Association once—he was quite a youngster at the time.

SOME of them haven't quite forgiven him yet. His bank building operations in New York have justified even the predictions of his warmest friends—that he would make good even in Wall Street.

MR. KAUFMAN is the pioneer in the "Banking by Mail," now so popular and successful in many cities. He started it in Marquette and soon ran a fixedly prosperous bank with \$600,000 deposits up to a growingly prosperous bank with two millions.

THE day he landed in New York he picked up a coin on the ferry boat. The date of the coin was the date of his birth—1874—and he kept it for luck.

JOHN R. NOEL of the Northwest State Bank, one of the most prosperous of the small banks in Chicago, has a mascot coin also. Seven years ago he called at THE CHICAGO BANKER office.

HE wanted information as to recently formed banks which had succeeded and to ask the status of the private banks. When he left, he headed for a new state bank and on the way found a coin. It decided him to incorporate, and his bank has succeeded amazingly.

DR. NOEL has never left the coin at home one day since. It is his lucky emblem.

FO. WATTS was one of the early birds, and likewise Oliver C. Fuller. They stole a march on their brother bankers and had an extra day's practice on the Country Club's links for the Bankers' Tournament.

JA. LEWIS of St. Louis did the same. He began by clipping ten strokes per round from his practice round—hence, must have started in three figures or have reached a record score.

WM. O. JONES, New York, and E. J. Curtin and wife of Iowa, went up to Mt. Clemens after the convention for a few days at the baths. The excessive heat during the convention week caused quite a longing for evening boat rides in lieu of the formal entertainments.

CHARLES H. HUTTIG came in on Monday morning looking as brown and hard as an Adirondack guide.

HE said he hadn't been within sight of civilization for so long that he had to get Mrs. Huttig to trim his hair—and it was a good job, too.

WERE they glad to see him? A bull moose demonstration wasn't in it with President Huttig.

IT is doubted if in the annals of banking a man has reached such a stage of popularity

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

with his fellow bankers. His intense physical affliction and his plucky fight only revealed new qualities to them and furnished additional proofs that they had estimated him correctly from the start.

EST. ELMO LEWIS and the Burroughs people sent a strip of tickets on the street cars to every one, but to get a "card" to a club was like giving a guaranty title to a post-office site.

OF course, if no one but real bankers ever registered or got "books" at the conventions, it could be different.

PRESIDENT LIVINGSTONE was the happiest man on the straits. Registration on the first day (Sunday) ran up above a thousand, and the big Banquet Special with its 208 bankers from Chicago and the West was not included.

COL. FARNSWORTH estimated the attendance at 4,000 early in the week and saw the figures finally exceeded.

MCPHERSON was there with his Bankers Encyclopedia for September. There were others in Mack's line there from New York with a grouch, but they didn't get very far. McPherson is the Sunny Jim of the professionals.

THE new round-robin was a dead duck of a bird from the very start. Members of council are not the sort to try to limit the initiative of a splendid executive to satisfy the wailings of the disappointed ex-poachers. Col. Fred. may be "short" of perfect but he's a whale among minnows when the round-robinners are mentioned.

ABOVE is not personal, for the names of the signers were kept a secret from yours truly.

R. L. RINAMAN was over from St. Louis. The weather was cool to him, J. W. Hoopes and E. F. Swinney—by comparison.

THE Frame amendment to the constitution did not last as long when it got to the committee as a snowball would have in—in the grill room.

HE wanted to cut off the ex-presidents from the council and to do other things not provided for in the well digested plan for changing the rotation in office plan of electing the president and vice-president. The McNider amendment was considered quite drastic enough. Even the stand-patters thought the sage of Mason City "had seen his duty and done it" well.

CHAPMAN'S agricultural committee meeting was bigger and more active than many a section session has been. Even Breckinridge Jones got into the discussion but Festus J. wasn't there so there only was a skirmish.

BANKERS from every state represented at Detroit were there and the cause took on real shape and character. Nearly every one present engaged in the discussion with earnestness and interest.

ON the Banquet Special over from Chicago were fifty-three ladies. The Detroit program was just to their liking—something doing every day, from Sunday to Saturday.

W. G. EDENS was secretary of the agricultural sessions of the committee, and reported briefly on his recent participation as delegate and program speaker to the Trans-Mississippi Commercial Congress at Salt Lake.

GEORGE ORDE lost his rabbit foot and failed to connect with the big special at Chicago. Even at that his hoodoo had him locoed only four minutes.

JK. OTTLEY, chairman of the executive committee, clearing house section, was early on the ground and was a visitor at the grounds of the beautiful Country Club. On some of his visits he said he would have needed help to do justice to the lavish entertainment provided for him.

JOSEPH WAGNER, JR., just returned from Europe, was one of the strong delegation from Pennsylvania. Others were Wm. A. Law, R. E. James and W. K. Lloyd.

EARL REYNOLDS, cashier of the Peoples, Chicago, was there and kept closely in touch with his distinguished father, head of the big Continental and Commercial National of Chicago. "G. M." is very proud of his boy, who has made good in other banks than his own and on his own responsibility.

E. J. BOWMAN of Anaconda and W. D. Vincent of Spokane did some splendid team work at the social functions. P. C. Kauffman

(Continued on page 54)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

CHICAGO

EDWIN L. WAGNER, President
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RALPH N. BALLOU, Cashier
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Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

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tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

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OF CHICAGO, ILLINOIS

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Capital, \$1,500,000 Surplus, \$1,500,000

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BANKS, LARGE OR SMALL, ARE
WELCOMED AND IMPARTIALLY VALUED BY

THE LIVE STOCK Exchange National BANK
OF CHICAGO

THE CHICAGO BANKER

Founded in 1898

VOLUME XXXIII

CHICAGO, SEPTEMBER 14, 1912

NUMBER 11

President William Livingstone at Detroit Delivers annual address, outlining activities of association during the past year

Fifteen years ago Detroit had the pleasure of entertaining the American Bankers Association, and those of you who attended the convention of 1897 remember that the association at that time was truly in its infancy; its membership numbering but 2,813, and its only adjunct the trust company section, which was then just one year old. It affords me the greatest pleasure to congratulate you to-day on the present organization, with its membership of over 13,300—representing a net increase during the past year of over 1,200, the largest increase in any one year since organizing, its various sections, departments and committees all working for the furtherance of the banking and business interests and for uniformity of laws in all of the states.

Trust Company Section

The trust company section, whose membership now embraces about two-thirds of the largest and most progressive trust companies of the United States, is on the alert at all times to improve conditions and facilities for the performing of the duties of the various institutions doing a trust company business; its book of trust company forms, compiled by the secretary, P. S. Babcock, widely is used by members of the section.

Savings Bank Section

The savings bank section is the largest section in point of membership in banks in the association. This section was successfully launched in 1902, and has been piloted by very able officers during its entire history. Too much credit cannot be given the late William Hanhart, who, as secretary, carefully guided its activities, and the work started by him has been carried on creditably by his successor, W. H. Kniffin, Jr., and since his resignation, by E. G. McWilliam. Not only has the section been active in securing new members, but also along various lines from which that

membership has benefited. Perhaps one of the most important features of their work has been the campaign of education among the people of the United States on saving and thrift, and a continuation of the work toward fostering school savings banks.

Clearing House Section

The clearing house section, the youngest of the three larger sections, is by no means the least important. Its growth since the first



COL. FRED E. FARNSWORTH
New York City
General Secretary American Bankers Association

conference of clearing houses in St. Louis in 1896, has been rapid, indeed, and at the last convention held in New Orleans, the section deemed it advisable to place a secretary in charge who could devote all of his time to this feature. The executive officers have been actively engaged in directing and promoting the work laid out by the section. The universal numerical system has been adopted by more than seven thousand banks according to actual reports in the secretary's office. Many other banks have been taken care of by their correspondents and no record has been furnished the office of these. Mr. Wolfe, the secretary, is untiring in his efforts along this line, and he has been attending chapter meetings of the American Institute of Banking and establishing committees among chapter members whose duty it is to see that all checks passing through their banks bear the transit numbers, for in order to make the plan as valuable to the banks as it should be, all checks and drafts should bear these clearing house numbers.

In the clearing house section seventeen cities now have a special clearing house examiner who is solely under the direction and control of the clearing house committee, and the reports from all of these cities show that the system is most satisfactory and that very beneficial results have been obtained, and all strongly endorse the system. Also not least in

its work is the endeavor of the section to secure uniformity in clearing reports.

American Institute of Banking

The American Institute of Banking section has seventy-five chapters, including one in Cuba and one in Hawaii, with a total membership of over 12,000. With commendable conservatism, the Institute consistently has resisted the temptation to sacrifice quality to quantity in extending its membership, and any former misgivings that the organization might degenerate into a labor organization or a circle of social clubs have vanished. Sound and systematic educational work along orthodox lines seems to be the established policy of Institute management, and beneficial results are manifest in the improvement of banking methods in chapter cities. In fact, the success of chapters in large cities has created the erroneous impression that the Institute is solely a city proposition, and correspondence instruction among country bankers has not thus far received the consideration that it deserves. The Journal-Bulletin is not only an indispensable agency in Institute work but serves the purpose of an interchange of information between employers and employees regarding the activities of all and thereby promotes the vocational harmony for which the banking business is justly noted. The executive council of the Institute in whom its government is vested is composed of young bankers of exceptional capacity and conservatism, who are creditable alike to the membership whom they represent and to the American Bankers Association of which the Institute is an important section. George E. Allen, educational director, has been indefatigable in this work and is entitled to much credit for what has been accomplished.

State Secretaries Section

The latest body to become affiliated with



ARTHUR REYNOLDS
Des Moines, Iowa
Chairman Executive Council



J. FLETCHER FARRELL
Chicago
Treasurer American Bankers Association

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President
CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased. Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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President
JAS. A. GRAY
Vice-Pres.
H. F. SHAFFNER
V.-Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

the parent organization is the various state associations, through their secretaries, in what is known as the state secretaries section. This section has aided the association very materially in increasing its membership, in addition to many other factors which make for the good of the organization. Each has its field of labor, officered by able, diligent, courteous and congenial men with whom it is a pleasure to associate and to work, and each conscientiously carrying on his own prescribed duties.

Committees

It must be clearly understood, however, that while the association is very much indebted to the work of its sections, and without detracting in any way from the great credit to which they are entitled in their various capacities, it also has received very valuable assistance from its standing committees, which always have been active and energetic as occasion has demanded.

Bills of Lading Committee

The bills of lading committee, appointed seven years ago for improving the form of bills of lading and obtaining legislation which would make these documents a better security for the banker, has been one of the most active and insistent of the association's committees; and while it has not met with ultimate success, results are gradually being obtained, through the indefatigable efforts on the part of the committee. During its existence, the bills of lading committee has seen a uniform bill of lading in two forms for order and straight shipments recommended by the Interstate Commerce Commission and adopted generally by the railroads; it has seen the uniform bills of lading act placed on the statute books of ten states; and it has seen a special bills of lading statute to safeguard these documents, framed by the general counsel of this association, enacted in four states prior to the time when the uniform bills of lading act was drafted. Among other great benefits of these laws is the providing of responsibility by the carrier for the act of his agent in issuing a bill of lading without receipt of the goods, which responsibility does not exist under the common law.

During the entire time of the existence of the committee, the first four years under the leadership of Ex-President L. E. Pierson, as chairman, and the past three years under the able direction of Clay H. Hollister, an active campaign has been carried on for the adoption of similar legislation by congress. In the sixty-first congress, in June, 1910, the Stevens bill, advocated by this association, was passed by

an almost unanimous majority in the house, but failed in the senate. In the sixty-second congress, the campaign has been vigorously urged. Three hearings were held last winter by the senate committee on interstate commerce at which was considered both the Stevens bill and the Pomcrene bill, which is the state uniform bills of lading act adapted for federal enactment. On August 21st, the senate passed the Pomerene bill unanimously and it now goes to the house. As your president was a charter member of this committee, and served on same for four years, and, therefore, fully realizes its great importance, I cannot impress upon you too strongly the urgent need of every member lending his most active support to the furtherance of this legislation at the short session of congress next winter so that it will not be necessary to wait another congress to obtain a federal law governing all bills of lading used in interstate and foreign commerce. It was the great losses to the banks and commission men which led to the appointment of this committee. These losses, which run into the millions of dollars, have continued along through recent years.

Committee on Agricultural and Financial Development and Education

And now we come to the newest departure of the association—the committee on agricul-

tural and financial development and education, appointed at the New Orleans convention.

Although many bankers realize that their institutions greatly are dependent on the farms for their success, it was not until Joseph Chapman, Jr., brought the matter forcibly before the association that they had a true conception of its importance, and deemed it within their province and really their duty to take some action looking toward the improvement of agricultural conditions.

It is interesting to note the progress made in this movement, by a comparison of its two annual meetings. At the first session, held last year, only seven states were represented. At the second annual meeting held at Minneapolis and St. Paul, August 7th and 8th, twenty-four states were represented. At last year's meeting the banker and educators who came to address the bankers, made up the conference; this year the field of education from university to common school sent in its undelimited men and women and the character of the gathering reflected the scope of influence of the first conference. Men from the department of agriculture at Washington and from the agricultural and vocational schools of many states were present as listeners. At the second annual conference the best authorities in the United States addressed the delegates, and the meeting was a most enthusiastic one, the proceedings of which were to be published immediately. The bankers are just beginning to become interested and to realize the great importance of this movement and the fact that agriculture is the basis of all wealth, and have been instrumental in a number of states in bringing about an agreeable change in educational institutions.

Protective Committee

The very able committee handling this work has devoted a large amount of valuable time and attention to it, but as the service is of necessity secret, it is impossible to give the members of the committee the credit to which they are entitled. I have but to call your attention to the large membership and the comparatively few depredations on members of the association, and to the expeditious manner in which all cases are cared for to demonstrate this. This department is also constantly increasing its facilities for quick detection of criminals, and its work in connection therewith is systematically dispatched. Each successive year has also demonstrated the fact that the American Bankers Association in its vigorous prosecution of criminals who prey on its members, constantly is becoming a greater deterrent to criminals.

Short Term Securities

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations.

Such securities, particularly of the larger issues, also usually command a ready market and are not subject to extreme fluctuations in price.

Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

Ask for Booklet S-724

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Capital and Surplus - \$ 23,000,000.00
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Capital, Surplus and Profits, \$6,000,000
Deposits . . . 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

Administrative Committee

The members of your administrative committee in addition to holding several meetings in an advisory capacity to the general secretary in the interim between council meetings, have attended a number of state bankers associations conventions in an endeavor to impress upon the members of such associations the value of affiliation with the parent organization.

Law Committee

Outside of its regular routine work, this committee has spent a large amount of time and energy on the broad question of segregation of savings from commercial deposits in banks and trust companies and has held hearings in Detroit, Cleveland, Chicago, St. Paul, Des Moines, St. Louis, New Orleans, New York and Louisville on this question. Through the medium of these hearings and through investigations in other states, the committee covered quite fully conditions in twenty-four states holding a majority of the entire savings deposits of the country. After making these personal investigations, the committee prepared a statement of conditions in these states, adding a summary of the argument for and against the special investment and segregation of savings deposits, which was sent to every member of the association, together with a question-sheet designed to ascertain whether the members of the association were in favor of the further extension of the principle. In all, 3,119 banks responded, of which 1,447 were favorable and 1,489 were adverse, from which it would appear that sentiment among the members of the association is about evenly divided on this subject. Their report has been printed in pamphlet form and may be had from the general secretary. As Michigan is the home of segregation, any members desiring information on the actual and practical workings of segregation can get the most complete information from the state banks of Detroit and other Michigan cities.

Currency Commission

Your currency commission, along with the officers of the association, were called into conference with the National Monetary Commission in Washington on March 28, 1911, to consider Senator Aldrich's suggestions for monetary legislation. At a meeting of the commission held before the conference, it unanimously was agreed that the plan suggested by

Senator Aldrich was founded on correct principles; that it is admirably adapted to present conditions, and that it will correct existing defects in our national banking system. That with further developments in some of its details it would be made thoroughly practicable. Later our commission discussed every feature of the plan, giving their reasons for the suggestions made and conclusions arrived at. At a later date our recommendations generally were adopted in the revision of the plan reported by Senator Aldrich's committee. On May 2, 1911, James B. Forgan, vice-chairman, reported to the executive council at their meeting held in Nashville, submitting to them Senator Aldrich's plan as revised by our own commission. After careful examination, the executive council, by resolution, unanimously approved the plan thus revised. Out of forty-six state bankers associations, over thirty have passed resolutions, at their annual conventions, also endorsing the plan.

It seems to be imperative that we should have, if possible, immediate action on this subject, and I most earnestly urge that every effort be put forth by our association for the passage of a good banking and currency bill, and that the currency commission's attention should be directed to the work of urging congress to action at their next session, and their efforts should be supplemented and aided by the association members throughout the country, who should be asked to take the matter

up with their congressional representatives in order that prompt and favorable action may be obtained on the plan submitted by the National Monetary Commission; in other words, that the association should "stand by its guns" in this important matter in the fullest sense of the word and should continue to support the bill as previously recommended, and should again go on record as favoring its adoption.

Monetary Reform

I desire particularly to call the attention of the association to the bill recommended by the National Monetary Commission which was created by Sections 17, 18 and 19, of "An Act to Amend the National Banking Laws," approved May 30, 1908.

Legal Department

It hardly is necessary for me to dwell on the work of our general counsel. It speaks for itself. Many of your institutions are availing themselves of the opinions of the general counsel on various matters pertinent to banking. He acts in an advisory capacity on legal questions submitted by the sections, committees, the protective department, and by members all over the country; to the legislative committees of state bankers associations in aid of their efforts to improve the banking laws of their respective states.

The constructive work covers drafts of laws for the law committee of the association, Mr. Paton having worked out a standard form of bank burglary policy which has been copyrighted and now is being used by the different companies, and work is under way on a revision of the fidelity bond of the association. Mr. Paton, in addition to all of the above, appears for the association and its various adjuncts and committees in all legal matters.

Journal Department

The journal department, through its publication, the Journal-Bulletin, disseminates association news to all of its members, adhering strictly to the purpose for which it originally was installed. It is also a medium for the exchange of ideas between the employed and the employers as represented by the institute and the association, and it is also of great assistance to the protective department in sending out warnings to the banks.

Library

During the past year the association has added another department which sorely was needed, a library and reference department

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Accounts of banks, bankers, corporations, firms and individuals solicited. Unsurpassed facilities for collections. Correspondence invited

under the management of an able librarian. Though it has been in existence but ten months, the service which it has been to the membership has justified its installation. Its material comprises books, documents, statistics, proceedings, addresses, magazine articles, clippings, pamphlets, advertisements and pictures. Its methods involve the securing of this material in various ways from widely-scattered sources, classifying, mounting, preserving and circulating it in accessible form. Its results show the loaning of said material to our members all over the country. That they fully appreciate the advantage afforded by this department is evidenced by the growing de-

some time to come. The new offices, on the twelfth floor of the Hanover National Bank Building, formally were opened Wednesday, July 10th, at which time your president, and chairman of the executive council, Arthur Reynolds, were present. There was quite a large attendance, and among others, notably the South Carolina Bankers Association, who were guests of New York bankers at that time. Those of you who have visited the rooms, I am sure will agree with me that they are in keeping with the dignity of our great body.

General Secretary

Your general secretary has been most earnest in his work, always with the interests of the association at heart, and has made a special endeavor to increase the membership of the association. That his efforts in this direction have been crowned with success is borne out by the fact that the increase during the past year is the greatest in the history of the association. His entire staff are both courteous and willing workers.

Conclusion

At the last annual convention of this association, my predecessor, President Watts, suggested and advised that the council dinner, which previously really had been a part of the convention, be abolished, as only a few participated in this special entertainment. It affords me pleasure to report that the executive council at its meeting held at Briarcliff in May last, acted on Mr. Watts' suggestion and abolished the executive council dinner.

While the association has grown and added several sections, each carefully following its various lines, and committees, the headquarters itself neither has stood still nor retrograded. As George M. Reynolds put it some time ago, "It is a veritable beehive of industry."

The results of the activities of the association during the past year speak for themselves. I believe we have nothing but hearty praise for all work accomplished, and I do not believe there is any need for the admonition, "Let the good work go on."

As to the future, I would say to one and all of you to lend your aid to the various committees, whenever you can do so conscientiously; also to the sections.

During my three years' official connection

with the association, I have received nothing but the most hearty support and encouragement from my fellow-associates. It has been one harmonious period of activity in the interests of this great body, and I wish to express my deep appreciation of the courteous, kindly treatment I always have received at your hands.

LOUIS G. KAUFMAN SEES TRADE REVIVAL

Louis G. Kaufman, president of the Chatham and Phenix National of New York City, who was one of the delegates to the conven-



LEWIS E. PIERSON
New York
President Irving National
Ex-president American Bankers Association

mand for information which is supplied by telephone, by messenger, at the library and by correspondence. Its book collection has been increased four-fold, chiefly by gift and exchange.

New Offices

To provide for these sections and new departments, space was taken on from time to time until the offices had grown to large proportions, but were still inadequate and inconvenient. Your administrative committee, after a careful investigation of the situation, decided that new quarters would have to be secured, and the general secretary was authorized to negotiate for space which would be ample for



F. O. WATTS
St. Louis
Vice-president Third National
Ex-president American Bankers Association

tion of the American Bankers held in Detroit this week, speaks in glowing terms of the revival of business prosperity. He said:

"The effect of politics has been discounted and they no longer are thinking of the political situation. Our customers constantly are telling us of the great amount of business that is coming to them. Business men of the country have become wiser and more conservative in their manufacturing and buying. Business in the country is on a sound basis, and thoroughly is prepared to enter upon a decided increase, not a boom, but a healthy revival of trade. It is noteworthy that we are receiving large demands for money from the West and South."



Fort Dearborn National Bank



Fort Dearborn Trust and Savings Bank

United States Depositary—Security and Conservatism

Capital - - \$2,000,000
 Surplus and Profits 600,000
 Deposits - - 31,000,000

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 THOMAS E. NEWCOMER - - Asst. Cashier
 WM. W. LE GROS - - - Asst. Cashier
 HARRY LAWTON - - - Mgr. Foreign Dept.

Comparative Showing of Deposits

February 14, 1908 - \$ 9,887,954.84
 February 5, 1909 - - 11,617,691.24
 March 29, 1910 - - 15,041,357.21
 March 7, 1911 - - 21,574,956.79
 June 7, 1911 - - 23,137,746.88
 September 1, 1911 - - 24,500,075.82
 December 5, 1911 - - 25,445,199.89
 February 20, 1912 - - 26,207,446.32
 April 18, 1912 - - 27,287,752.30
 June 14, 1912 - - 28,433,836.35
 September 4, 1912 - - 31,041,482.12

Three per cent interest on savings accounts.

Deposits made on or before the tenth of each month bear interest from the first.

The officers of the Fort Dearborn Trust and Savings Bank offer their services to clients who are seeking choice **high grade bonds** and seasoned securities.

Acts as Administrator, Executor, Guardian, Conservator, Assignee, Receiver, Transfer Agent and Registrar.

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MONROE AND CLARK STREETS

George M. Reynolds on Money Trust Inquiry

George M. Reynolds, president of the Continental and Commercial National Bank of Chicago, delivered the following address on the money trust inquiry on Wednesday, September 11th, before the trust company section of the American Bankers Association at its annual convention in Detroit:

Every great crisis wherein business has been seriously affected and which has had a tendency to accentuate any weakness in our system of business has brought out some object lesson for future guidance.

The lesson of the panic of 1907 was that of the value of co-operation.

The abuses incident to the unparalleled prosperity in this country for five years prior to that period caused an over-expansion in the use of credit, culminating in the latter part of October of that year in a money panic, which for a time paralyzed our commerce and threatened the destruction of our institutions; public confidence was disturbed and, the solvency of the banks being doubted, depositors were anxious to withdraw their balances for the purpose of hoarding money.

The amount of lawful money carried by the banks, while sufficient to meet all requirements under normal conditions, now that a state of chaos existed, was found to be inadequate to meet the demands made upon them, and since our banking and currency law contained no provision by which the banks could protect their outstanding credits, to say nothing of protecting the credits of their customers, the banks located in the principal cities throughout the country, as the only means of self-defense left to them, simultaneously went upon a clearing house certificate basis.

While this action seemed to some to be very drastic, it, in fact, proved to be the safeguard of the situation, since through it banks were enabled to meet the urgent requests for credit made upon them and renew credits already extended to concerns, many of which might otherwise have been forced into bankruptcy. At the same time, self-preservation, admittedly the first law of nature, forced the banks in the large reserve cities to stifle the spirit of competition existing between them and work in harmony for the common good—self-protection compelling them to apply the spirit of co-operation to their business in a practical way by utilizing, as far as was practicable, their combined skill and strength to defend the integrity of any bank or concern known to be solvent which required assistance.

Regardless of this commendable spirit and the aid rendered, much criticism has been heaped upon bankers by certain classes. These critics are dissatisfied because we do not in times of crisis furnish to the public credit and money in amounts sufficient to meet their needs, and, on the other hand, in normal times they criticize us because, as they say, the control of money and credit is not sufficiently diversified.

I am surprised that any student of the subject should pretend to believe that the banks in times of stress wilfully withhold from the public the use of such credit and money as it

is possible for them under existing conditions and in accordance with the law to supply. Self-interest alone would not permit of their doing this, for no profit can accrue to a bank where an excess of reserve accumulates. Furthermore, the law of competition would not permit it, for in these days when it is the universal practice for banks to extend credit in proportion to the balance which a customer carries with the bank subject to his check, the banker knows full well that if he fails to meet the legitimate requirements of such customer it will result in the loss of that account, which, under the law of competition, will go to his neighbor, who will extend credit against such



GEORGE M. REYNOLDS
Chicago

balances. Therefore, self-interest prompts the banker to do his utmost to serve the public under these conditions.

In thirty-two years of experience in banking, I have yet to learn of the first instance where bankers carrying the reserves of a community have wilfully, and for the purpose of punishing individuals or industries in that community, declined to extend credit against their reserves when there has been a disturbed public confidence and an unusually large demand for both money and credit; and, so far as I know, the only bankers who have failed in emergencies of this kind have been those who have themselves been filled with fear and who have been so panic stricken that they have placed their own safety above the public welfare. I am glad to say, however, that such bankers are so few as compared to the whole number that I do not believe there is just ground for the belief that the bankers of this country have failed to discharge this trust faithfully and well.

Whatever of criticism can properly attach to the banks because of their failure to meet

the wishes of the public in times of stress is due to the system and not to the inclination of the bankers, whose actions are circumscribed by a law compelling them to maintain certain reserves, no matter what the needs of a community for credit or money may be.

As I stated in the beginning, the object lesson of the panic of 1907 was that of the value of co-operation, and bankers, striving, as do also those engaged in other lines of business, to prevent losses where possible, and quick to realize the real value of that lesson, have since that time applied this principle of co-operation with great success to the affairs of such of their customers as through unforeseen circumstances have experienced difficulty in maintaining their credit when it has been assailed.

Instead of continuing to follow the old-time method of throwing such creditors into bankruptcy and getting a mere pittance on their claims—where conditions are such that they are justified in so doing, the bank and other creditors now form creditors' committees to manage the affairs of the disabled concerns, thereby very often through such harmony of action restoring the affairs of those concerns to a normal basis, thus averting their failure and consequent loss to the banks and other creditors.

The application of this principle of co-operation by the banks as a means of protection, both to themselves and their customers, thus conserving the assets and oftentimes the integrity of both by preventing failures as well as contentions between the creditors of concerns whose solvency is questioned, has caused many to misconstrue the real motives involved and apply the term "trust" to this harmony of action which always is prompted, so far as I know and believe, by the highest motives born of a sense of fairness and justice and reflecting a desire on the part of the bankers to conserve and upbuild rather than to tear down and destroy.

The fact that ninety-five per cent of the business of this country is done upon credit, and that the use of actual money in transactions has been reduced to the minimum, makes it very easy for people who do not properly discriminate between credit and money itself to become confused in the application of the terms; and especially is this likely to be the case with those who have given so little study to the subject that they look upon a bank as being an institution dealing in money, whereas, in reality, a bank deals in credit, and the money it carries in its vaults is only an incident to its business, being carried only in an amount sufficient under the law of averages to make it possible for the bank to pay its obligations upon demand under normal conditions.

This confusing of credit with money, as it is related to business, has caused much misapprehension on this subject and resulted in more or less honest criticism by those who do not realize that the "money power," as it usually is applied, relates to the power on control of the credit which may be extended against either money or other tangible liquid assets

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Established 1836

Correspondence from Banks wishing a desirable Pittsburgh connection respectfully invited

easily or quickly convertible into money; and, in view of the temper of the people toward large aggregations of capital, it is not surprising that there has also arisen much confusion and misconception through the use of the words "money power" and "money trust." Oftentimes, where quotations of alleged statements are made, the word "trust," either through confusion or arbitrarily, is substituted for the word "power," making it appear as "money trust," thereby changing the meaning of the statement as it was originally made.

I disclaim any knowledge, to say nothing of any connection, with any "money trust" of any character, and I feel I would be derelict in my duty if I were not to say to you that I do not believe any such trust exists.

I feel this class of citizen has an erroneous opinion concerning banks, their business, their earnings and their relations to the public. In the first place, any condition which adversely affects the public must react detrimentally on the volume of the business done by the banks, thereby reducing their earnings.

Reverting to the criticisms of the banks during 1907 for their failure to pay money against the balances shown upon their books. I sometimes wonder if the public realizes that those balances were to the extent of ninety-five per cent made up of items of credit and not money. I wonder, too, if the depositing public takes into consideration the fact that when the bank cannot pay its deposits on demand, it

is only because it cannot realize on its credits extended to the borrowing public. Two men may be neighbors, one is a depositor of one thousand dollars in the bank, the other a borrower of a thousand dollars from it. If the borrower will pay the note when demand is made upon him to do so, the bank will also be in a position to pay the depositor the amount of his balance. Therefore, in times of panic the reason that banks cannot pay the depositing public their obligations on demand is because the borrowing public cannot pay their obligations to them. Therefore, in criticising a condition of this kind the public should have their criticism attach either to the law which



T. R. PRESTON
Chattanooga, Tenn.
President Hamilton National
Member A. B. A. Executive Council

of the community and the credits they control are subject to the ebb and flow incident to the fluctuations in business.

In one breath a man will criticise the banks for not extending credit to the public in times of stress; in another he will criticise the bankers for violating the national banking law by loaning money when to do so impairs their reserves, thereby showing an attitude of inconsistency which I am unable to reconcile.

I have heard more or less criticism of banks in this country upon the theory that the "money power" is in the hands of too few people.

Inasmuch as whatever control individuals may now have of our banking power comes to them under and by virtue of the national banking law, as the result of a concentration of reserves in the central-reserve cities and through legitimate practices in the ordinary trend of business, and not, mark you, through any violation or evasion of the law on their part, would it not be far more becoming to criticize the law which forces this condition rather than to criticize the men who under the law have the condition forced upon them?

As one who has been accused of admitting that the "money power" under existing conditions, or the power to extend credit in times of crises, rests in the hands of a few bankers in this country whose institutions carry the surplus banking reserve, I have for three years past been making a plea to the people of this country to assist in securing legislation pro-



J. S. CALFEE
St. Louis
Cashier Mechanics-American National
Member A. B. A. Executive Council



NELSON N. LAMPERT
Chicago
Vice-president Fort Dearborn National
Member A. B. A. Executive Council

fails to apply the remedy or to the borrowers of banks who are unable to pay their obligations in crises.

If a little more of the spirit of fairness were to be injected into a consideration and discussion of this subject, the masses of the people would be less inclined to hold prejudice against or criticise banks, for, after all, the banks are only the "warehouses" of the credits





ORGANIZED 1851

Irving National Bank

NEW YORK

Strictly a Commercial Bank



WOOLWORTH BUILDING
Our Future Address

AN accurate knowledge of local conditions facilitates the transactions between a bank and its correspondents.

We are always seeking to obtain an intelligent understanding of the special requirements of our friends.

Capital and Surplus \$7,000,000

Resources over - 50,000,000

Rollin P. Grant, *Vice-President*
Willis G. Nash, *Vice-President*
Benj. F. Werner, *Vice-President*
Charles H. Imhoff, *Vice-President*
Emil Klein, *Vice-President*

Lewis E. Pierson, *President*
James E. Nichols, *Vice-President*

Harry E. Ward, *Cashier*
D. H. G. Penny, *Assistant Cashier*
Richard J. Faust, Jr., *Assistant Cashier*
J. Franklyn Bouker, *Assistant Cashier*
Samuel Redfern, *Assistant Cashier*

viding for a system of banking and currency, which, it is believed, very materially will decentralize the money power by placing it within the control of several thousand banks, rather than to have it literally controlled by the bankers in the central-reserve cities, as at present.

So far as I know and believe, the majority of the bankers in the central-reserve cities recognize the enormity of the responsibility which rests upon them under the existing law and would welcome any legislation that is just and fair which would both minimize this responsibility and free them from the unjust accusations that constantly are being made against them.

The banks of the country are the servants and not the masters of the people, and it is always to their advantage to serve the people, provided conditions are such that they can do so without an infraction of the banking law.

We find a class of people referring to the financial institutions of this country as members of a "money trust" and "lawbreakers,"



LUCIUS TETER
Chicago
President Chicago Savings Bank and Trust Co.
Secretary and Treasurer Council Club

of our people. Indeed, to those who have been most active in their efforts to encourage the enactment of currency legislation, one of the chief discouragements encountered has sprung from the fact that business men and individuals have been treated so considerately and well by the banks that they have not had a proper realization of the great necessity for currency legislation, and, therefore, have been more or less indifferently inclined toward it.

If the banks had failed to serve the public so satisfactorily or they had mistreated or attempted to take unfair advantage of their customers, do you think this great army of people would have been slow to make themselves heard; and in this event do you not think there would have been the greatest interest in and support by it of any movement which was calculated to bring about currency reform?

While I have heard much criticism of the policy of the management of banks in New York City during the panic days of 1907, which I know to be unfair and unjust, I regret to say that, on the other hand, I have seen but few expressions of commendation of the many examples of the self-sacrificing, noble and patriotic efforts made by many bankers of that city to allay the fear born of a disturbed public confidence and with a view of bringing order out of chaos, thus protecting our institutions at home and our integrity abroad—so aptly illustrating how quickly criticism will prevail and how tardy we often are in according justice to those who, by a close adherence to their fidelity to the welfare of the people, often sink personality and self-interest for the common good.

If the impending investigation can be divested in everything except an honest desire to find the cause of any unsatisfactory existing conditions, I believe it will result in good, for I feel confident it will be found that most of those conditions which have been the subject of criticism have been the outgrowth of the inadequacy of our system of banking and currency, and that bankers, in general, instead of entering into collusion with each other to con-

trol the money power for improper uses, are in fact only accepting such responsibilities as come to them naturally and by virtue of and under the law, and, furthermore, that they are striving to the best of their ability to render to the public a proper accounting of their stewardship.

I should like to say a few words upon what I regard as the duty of the banker, as well as the duty of the capital he controls, to the public, but since my views are so well known to you and the time at my disposal so brief, suffice it to say that we must, if we are to be free from cause for criticism, always have in mind the necessity for the practice of high ideals and the establishment of high standards in business, doing what we can to make the capital under our control do the greatest possible good in the upbuilding of our industrial and commercial enterprises; and in the extending of credit we should not ask: "Is the applicant a friend or an enemy," but rather we should determine as to whether or not the credit is wanted for legitimate purposes and as to



J. A. LEWIS
St. Louis
Cashier National Bank of Commerce
Member Committee on Bills of Lading

whether or not it will be properly secured and repaid at maturity.

I should like to refer to the money planks in the platforms of the three great political parties, but time and the fear of overtaxing your patience prevents. If, however, any of you can see anything in those planks to encourage bankers in an honest effort to help provide a proper system of banking and currency—a system which would correct the evils of the system under which we are forced to work—I should be glad to have you point it out.

The failure on the part of those prominent in shaping the policies of the great political parties, to inspire in the members of those parties a patriotic desire to consider this and other great national questions honestly and fairly, on their merits, without respect as to whether or not it will make or lose votes for their party candidates, is causing a great deal of industrial and social unrest. If the time and thought given by some to the promoting of class prej-



W. M. A. HEATH
Chicago
President Live Stock Exchange National
Vice-president A. B. A. for Illinois

but, are not those depositors and intelligent business men who are in close relationship with the bankers, through daily business and personal contact, and who have an insight into their methods of conducting the business affairs of their institutions, qualified to judge intelligently as to whether or not bankers are the criminals they are portrayed by some to be? Can you reconcile these accusations with the fact that the business of such institutions constantly is increasing, and very largely, too, through the good offices of their customers and depositors, who, recognizing the value of the service rendered and the treatment accorded them, try to induce their friends to transfer their accounts to the bank with which they do business?

In view of the good treatment extended by banks to that army of active intelligent business men and citizens of this country who have been successful, I cannot but feel this acrimonious criticism of banks and their treatment of the public emanates from a decided minority

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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Of Buchanan County
ST. JOSEPH, MISSOURI

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SURPLUS 300,000
ASSETS 6,500,000

We solicit your business and offer you exceptional facilities
Correspondence invited :: ::

Mechanics-American National Bank

SAINT LOUIS

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FRANK O. HICKS	-	-	Vice-President	C. L. ALLEN	-	-	-	Assistant Cashier
EPHRON CATLIN	-	-	Vice-President	P. H. MILLER	-	-	-	Assistant Cashier
J. S. CALFEE	-	-	Cashier	C. L. BOYE	-	-	-	Assistant Cashier

Official Report of Condition September 4th, 1912

Condensed

RESOURCES

Bills Discounted	-	-	-	-	-	\$14,886,089.76	
Demand Loans	-	-	-	-	-	5,020,700.13	\$19,906,789.89
Overdrafts	-	-	-	-	-	-	1,148.10
U. S. Bonds to secure Circulation, at par	-	-	-	-	-	-	800,000.00
Redemption Fund	-	-	-	-	-	-	40,000.00
Bonds to Secure U. S. Deposits	-	-	-	-	-	-	1,000.00
Other Bonds	-	-	-	-	-	-	1,054,567.98
Real Estate, Furniture and Fixtures, Etc.	-	-	-	-	-	-	293,887.89
CASH							
With Banks	-	-	-	-	-	8,296,919.97	
In Vaults	-	-	-	-	-	8,526,420.31	16,823,340.28
							<u>\$38,920,734.14</u>

LIABILITIES

Capital Stock	-	-	-	-	-	-	\$2,000,000.00
Surplus and Undivided Profits	-	-	-	-	-	-	2,812,220.63
Reserve for Taxes	-	-	-	-	-	-	30,000.00
Circulation	-	-	-	-	-	-	800,000.00
DEPOSITS	-	-	-	-	-	-	<u>33,278,513.51</u>
							<u>\$38,920,734.14</u>

Superior Facilities Offered to Correspondents

DIRECTORS

W. C. ARTHURS, President Mount Vernon Car Manufacturing Co., Mount Vernon, Ill.
 JAMES F. BALLARD, Manufacturer and Wholesale Dealer in Proprietary Medicines
 FRANK O. HICKS, Vice-President
 PAUL BROWN, Paul Brown and Co.
 J. S. CALFEE, Cashier
 EPHRON CATLIN, Vice-President
 W. H. DANFORTH, President Ralston Purina Co.
 PHILIP B. FOUKE, President Funsten Bros. & Co.
 WARREN GODDARD, Vice-President Goddard Grocery Co.
 JAMES GREEN, Chairman Board Laclede Christy Clay Products Co.
 E. W. GROVE, President Paris Medicine Co.

JOSEPH M. HAYES, President Joseph M. Hayes Woolen Co.
 WALKER HILL, President
 JACKSON JOHNSON, President International Shoe Co.
 A. B. LAMBERT, President Lambert Pharmacal Co.
 H. F. LANGENBERG, Langenberg Bros. & Co.
 JAMES Y. LOCKWOOD, Secretary-Treasurer Southern Coal & Mining Co.
 HUGH MCKITTRICK, Vice-President Hargadine-McKittrick Dry Goods Co.
 F. R. RICE, President F. R. Rice Mercantile Cigar Co.
 M. SHOENBERG, Vice-President May Department Stores Co.
 JAMES D. STRETT, J. D. Strett & Co.

MARINE NATIONAL BANK

BUFFALO, N. Y.



The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

Capital and Surplus Earnings \$ 3,500,000.00
Total Resources, over - 36,000,000.00

Accounts of Banks, Bankers, Corporations, Mercantile Firms and Individuals Invited

justice and hatred could be devoted by them to an effort to promote qualities of mind and heart that would reflect fair treatment, justice and equity, much of the contention which now is so prevalent would be dissipated.

Being more or less optimistic by nature and of a philosophical bent, and trying at all times to believe that what is, ultimately may result for the best, I see in these contentions and differences of opinion upon this and other questions, this lesson, viz: the necessity for a careful study of all of our national questions with open, unprejudiced minds, in the hope that we may become factors in the creation of a public sentiment which will tend to insure their settlement along wise and just lines and result in the greatest good to the greatest number.

As bankers who have studied the philosophy of our business and think we know something of the laws of economics as applied to our organization of credit, we are impatient because others who are not students of this subject and whose activities and studies have been along other lines do not support our theories and recommendations with more readiness and enthusiasm, but I sometimes wonder if we, on the other hand, are any better equipped to consider and help determine other questions, such as the tariff, for instance, than our neighbors are to help solve the questions involved requiring the enactment of currency legislation. I very much doubt it, and I want to say that to my mind all these national problems that are becoming more frequent in number and more complex in character, if settled fairly must be settled by the force of a public opinion that reflects a knowledge on the part of the masses of the intricacies of our governmental policies as they relate to economics as applied in our business.

Believing, as I do, that open-minded, honest agitation of any question in which the public is interested, prompted by a laudable purpose and kept free from animus and prejudice, will tend to secure a proper solution of that question, I desire to disavow any antagonism for or opposition to the impending investigation of the so-called "money trust" by the house banking and currency committee; on the contrary, I shall be glad to do what I can to co-operate with the members of that committee so long as their activities are exerted along the lines of an honest endeavor calculated to promote better methods and higher ideals in business.

Inasmuch as under good business conditions all lines of industry are active and prosperous and labor is fully employed, and since the ramifications of business affect every class of our people, public agitation of any question which seriously can affect business and thereby minimize the measure of the prosperity of the masses should be prompted only by the highest motives, and public discussion of that

subject should be along honest, honorable, conservative lines.

Good business conditions insuring the full employment of labor means the free use of capital and credit. The greater portion of the credit thus employed has its inception in and is backed by the various banks of the country, and if those credits are stable our people must



OLIVER C. FULLER

Milwaukee, Wisconsin

President Wisconsin Trust Co.

Chairman Committee on Proposed Model Trust Company Law,
Trust Company Section

have confidence in our financial institutions which undertake to protect them.

Credit, even when based upon a proper premise, is extremely sensitive, and anything which disturbs public confidence at once impairs the quantity as well as the usefulness of credit which so largely enters into our general prosperity.

The business of the banks and the prosperity of the masses so intimately are related through the use of credit that you cannot harm one without adversely affecting the other.

Therefore, everyone, no matter how great or small his business may be, should be interested in encouraging only such a plan of procedure in the investigation as will be required to determine the actual facts, keeping it free from prejudice or political bias, for any plan of procedure which would result in disturbing public confidence would affect our institution of credit and thereby carry its blighting effects into every home.

Every banker in his relation to the public welfare should be in sympathy and co-operate with every movement which honestly is calculated to improve public conditions, but, knowing as we do that our system of banking and currency makes no provision for the protection of credit when public confidence is disturbed or impaired, we, as bankers, should not hesitate to direct the attention of the public to possible dangers to business that may be encountered if this investigation should at any time be shorn of an honesty of purpose born of a desire for improved conditions. In this event bankers should not be found lacking in the courage to discourage, or even resist, any movement created for the purpose of capitalizing any prejudice for the benefit of any political party or for the advantage of anyone.

I do not believe the bankers of the country will enter the slightest objection to the making of a comprehensive investigation of the banks by those charged by the house with that responsibility, so long as such investigation does not require them to disclose to the public the confidential relations existing between themselves and their customers, the divulgence of which might greatly embarrass the customer and thereby do serious injury to the banks. In my opinion the banks should, and I believe they would to the limit of their ability to do so, decline to make this information public.

If a banker can be forced to disclose a confidential relationship between his bank and its customer, it would require but a short step further to capitalize for the gratification of prejudice the confidences between the attorney and his client, as well as the secrets of the confessional.

I cannot believe a condition exists which can begin to justify such drastic treatment; no more do I believe congress will take any action which would strike so directly at the personal rights and liberties of the people.

Since the laws enacted must be of a character to meet the approval of public opinion, and since bankers, as well as those engaged in other lines of business, must be governed by these laws, surely we, as bankers, who are so keenly interested in the discussion of this subject so vitally important to our welfare, cannot reasonably be criticized for honestly expressing our opinion upon it.

I do not mean to question the attitude toward this investigation of any of those who have any connection with the work, for, until I am shown to the contrary by their work, I shall be pleased to believe that their efforts will be prompted only by the highest motives born of an honest desire to improve public conditions and free from any desire on their part needlessly to annoy, much less harm, our financial institutions, which are the very bulwarks of our national strength.



FOURTH STREET NATIONAL BANK

PHILADELPHIA

Capital - - \$3,000,000

Surplus and Profits, 6,500,000

OFFERS UNEXCELLED FACILITIES
TO CORRESPONDENTS

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E. F. SHANBACKER, President			
JAMES HAY	- - -	Vice-President	R. J. CLARK - - - - - Cashier
B. M. FAIRES	- - -	Vice-President	W. A. BULKLEY - - - Assistant Cashier
FRANK G. ROGERS	- - -	Vice-President	W. K. HARDT - - - Assistant Cashier
C. F. SHAW, JR., Assistant Cashier			

DIRECTORS

SIDNEY F. TYLER, Chairman	
JAMES HAY, President Merchants Warehouse Co.	ARTHUR E. NEWBOLD, of Drexel & Co., Bankers
FRANK T. PATTERSON, North American Building	ISAAC H. CLOTHIER, Eighth and Market Streets
CHARLES I. CRAGIN, Forrest Building	ALBA B. JOHNSON, President The Baldwin Locomotive Works
WILLIAM A. DICK, North American Building	C. S. W. PACKARD, President Pennsylvania Company for Insurances on Lives and Granting Annuities
EFFINGHAM B. MORRIS, President Girard Trust Co.	E. F. SHANBACKER, President
WM. R. NICHOLSON, President Land Title & Trust Co.	J. M. WILLCOX, Vice-President Philadelphia Saving Fund Society
RUDULPH ELLIS, President Fidelity Trust Co.	T. C. du PONT, President E. I. du Pont de Nemours Powder Co.
CLEMENT A. GRISCOM, Land Title Building	E. W. CLARK, of E. W. Clark & Co., Bankers
FRANCIS I. GOWEN, General Solicitor Pennsylvania R. R. Co.	

Tuesday Session, A. B. A.

The first day's session of the A. B. A. proper was called to order at ten o'clock by President Livingstone. Invocation was delivered by the Rev. Joseph A. Vance, D.D., pastor of the First Presbyterian Church of Detroit, and addresses of welcome were made by Governor Osborn, Alderman John C. Lodge, George H. Russel, president of the Detroit Clearing House, and Homer Warren, president of the

welcome more than I have words at my command to express. However, we expected this before we came here—that is, those of us who have enjoyed your hospitality in years past, and those of us who have not been here before will know hereafter what Detroit hospitality means.

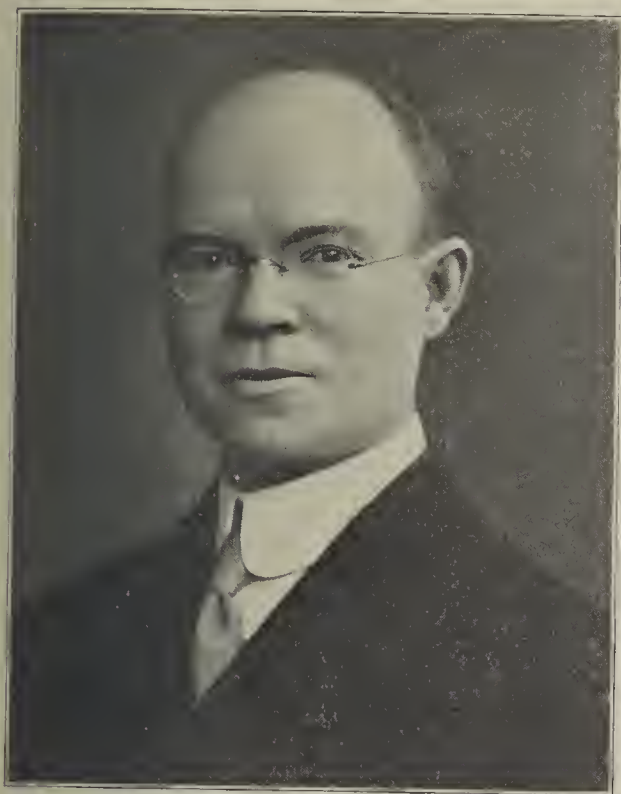
Looking back through memory's eye, not bedimmed by the fifteen years which have elapsed, I see two magnificent steamboats linked together, filled with the most tasteful viands to eat, the most exhilarating liquids to drink and the most beautiful and attractive ladies to admire, for all of which your great city enjoys a merited fame; which was a most enjoyable treat to all of us who had the opportunity and pleasure to attend the 1897 convention of the association here. I recall, also, that magnificent luncheon given by Walker

good results began to show, and in the subsequent years the history of the country has vindicated the judgment of the association on that question.

As bankers, we are patriots, and are interested in everything that interests our country. Our vocations are such that we could not be otherwise than patriotic. Integrity is the cornerstone upon which the superstructure of our business and our association stands. We have asked for no special laws, but we favor general laws which are applicable for the good of the people of the whole country, for we stand for the growth and uplift of the nation, and we are only successful individually when the whole country enjoys prosperity.

Aside from our interest in home development and progress, we stand for the betterment of our consular service abroad, for the building up of a strong American merchant marine and the strengthening of our navy. Much has been done along these lines, but I fear not as much as should have been done, for this great country should have all the prestige on the high seas and in foreign lands which its wonderful growth, industry and intelligence at home should warrant.

I will not take more of your time, as there are other gentlemen to follow me who can entertain you better, but let me in closing tender to you the greetings of the beautiful South-



W. D. VINCENT
Cashier Old National, Spokane, Washington
Member Executive Council and Committee on Agricultural and Financial Development and Education

Detroit Board of Commerce. The response was made by Col. Robert J. Lowry, president of the Lowry National at Atlanta, Ga. After the annual address of President Livingstone, reports were heard from the general secretary, treasurer, general counsel, executive council and of the standing protective committee. An address was made by the Hon. Robert W. Bonyng of Denver, a member of the National Monetary Commission. Mr. Bonyng talked on banking and currency reform. In the afternoon the various sections reported and amendments to the constitution were reported out from the executive council by Chairman Arthur Reynolds. Reports then were heard from the committees on law, bills of lading, express companies and money orders and forms for national and state banks. After announcements, adjournment was taken.

Response to Addresses of Welcome by Col. Robert J. Lowry

It has been with great pleasure that I have listened to the words of welcome of these gentlemen, and I know that I voice the sentiment of all the members of our association and visitors when I say that we appreciate them. Indeed, we appreciate these words of cordial



L. P. HILLYER
Macon, Georgia
Vice-president American National
Member A. B. A. Executive Council

Brothers across the river in Canada, on that beautiful green plot of four or five acres; a most inspiring and enjoyable occasion. With that distinctly in my mind, who could wonder that I say that those of us who have been here before know what Detroit can do when she gets "on the job?"

In this city fifteen years ago I laid down my commission as president of this association, to which office the association had been good enough to elect me the previous year in St. Louis. It was indeed gratifying to see the good work that had been done beginning to show results, for it will be remembered that our association declared for sound money, when we were importuned by all political parties to consider the free coinage of silver, bimetallism, and other propositions. After this declaration in 1896 it was here, in 1897, that



WALTER H. BENNETT
New York
Vice-president American Exchange National
Member A. B. A. Executive Council

land, the home of sentiment as well as industry; the land which cherishes its history and traditions, but is alive to the opportunities for twentieth century progress. Our crops are just now being gathered, and are much better than we had expected. Our people are hopeful and happy, and extend to you all a cordial

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

Assets Over
\$16,000,000

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Direct to the Center of the Collection District

is the logical routing for sundry items scattered over a great State.

☪ *Des Moines* is the center of the *Iowa* collection territory.

☪ *The Des Moines National Bank* has, through thirty-one years, established connections throughout Iowa which enable it to offer quick distribution for items in bulk at a minimum cost. Write us for collection data or any service or information pertaining to this territory.



The Des Moines National Bank

DES MOINES, IOWA

Resources Over Seven Million Dollars

OFFICERS

ARTHUR REYNOLDS, President

J. H. BLAIR	-	-	-	Vice-President	A. J. SWART	-	-	Assistant Cashier
C. A. BARR	-	-	-	Cashier	A. M. REYNOLDS	-	-	Assistant Cashier

invitation to come down "South in Dixie" whenever you have the opportunity.

I thank you.

Report of Secretary Farnsworth

Col. Fred E. Farnsworth, in making his annual report to the members of the association, prefaced his remarks by giving a brief summary of the early banking history of the state of Michigan and the city of Detroit. The twenty-third annual convention of the association was held in Detroit in 1897, at which time there was an attendance of about 1,100, as compared with an attendance of over 4,000 this year. In 1897 the membership was 2,813. On August 31st of this year it numbered 13,323. The total assets of the banks comprising the association in 1897 amounted to \$4,200,000,000; they now are estimated at \$15,000,000,000. The association receipts from all sources for the year ending August 31, 1897, amounted to \$86,000. For the year ending August 31, 1912, they aggregated more than \$215,000.



WIRT WRIGHT
National Stock Yards, Illinois
President National Stock Yards National

Mention was made of the spring meeting of the executive council held at Briarcliff, and of the splendid work being accomplished by the various sections into which the association is divided. The Journal-Bulletin is increasing each year in popularity with the members of the association and with the members of the institute. From time to time it has been found necessary to issue a larger edition in order to supply the demand. Correspondence with members has revealed the fact that it is one of the most valuable adjuncts of the association. Mention also was made of the work done by the various committees, and of the efficient manner in which they have performed their duties. Reference also was made to the work being done by the general counsel for the association, Thomas B. Paton, and the high valuation placed by members upon his work in connection with the rendering of legal opinions, which are published in the Journal-Bulletin, and which have been greater in extent than ever before.

The new offices of the association have been



JOHN FLETCHER
Chicago
Vice-president Drovers Deposit National

commended by all who have had an opportunity to visit them, and it is believed that they are in keeping with the dignity of the association. A new feature which has been adopted during the past year is a library, under the supervision and direction of a competent librarian.

During the fiscal year just ended there have been sent out from the general offices more than 415,000 letters, etc. This does not include what has been issued by the sections and committees.

The membership has increased 1,251 during the year and 4,072 within the past five years. The increase for the month of August was 433.

Treasurer's Report

Treasurer J. Fletcher Farrell of Chicago reported the cash balance on hand September 1, 1911, as \$1,433.43. The total receipts for the current year were \$215,719.11, and the total expenses \$213,159.66 leaving a credit balance September 1, 1912, of \$3,992.88.

In August the treasurer received from the general secretary 12,500 drafts on account of current membership dues aggregating \$205,592.50, all of which have been forwarded for collection. Owing to the fact that these drafts are dated September 1, 1912, which is in accordance with the constitution, and which is one week prior to the date of the convention, only a small percentage has been collected. It is expected, however, to receive remittances from all by October 1st.

The association has its surplus funds invested in stocks and bonds which are deposited with the Bankers Trust Company of New York under the control of the executive committee. The trust company collects the interest on these securities and remits to the treasurer for the credit of the association account. The securities are as follows: \$11,000, C., B. & Q. joint 4's of 1921; \$30,000, Atchison, Topeka & Santa Fe 4 per cent bonds of 1995; \$50,000, C., B. & Q. Illinois Division 4 per cent bonds of 1949; \$30,000, New York City registered corporation stock, 3½ per cent, due 1490.

Under the authority delegated to it in the interim of meetings of the executive council,

the administrative committee authorized the sale of \$10,000 government 4 per cent bonds of 1925, the proceeds of which were to be converted into C., B. & Q. joint 4's. The sale of the government bonds was made and out of the proceeds, on July 18, 1912, the \$11,000 C., B. & Q. bonds (already referred to in the list of securities held for the benefit of the association) were purchased and the same was confirmed by the executive council. There is a balance of \$769.10 on account of this transaction, which is on deposit with the Bankers Trust Company, and on which the association receives two per cent interest.

Report of Executive Council

Chairman Arthur Reynolds, in reporting for the executive council, mentioned the full attendance at the two meetings held since the last convention of the association as indicative of the continued great interest felt by the members, not only in the work of the council, but in that of the association as well.

At the meeting held after the convention at



R. L. RINAMAN
St. Louis, Missouri
Vice-president American Trust Co.

New Orleans, the finance committee presented the budget, recommending the annual appropriations, covering the expenditures of the association for the then ensuing year, which was approved. The finance committee also reported the following, which was duly approved by the council:

"The committee has been confronted in its deliberations with an apprehension that there may be some unnecessary expenses by reason of different committees working practically on the same topic and with the same object in view, and hence recommend that the incoming finance committee consider carefully the subject of effecting such consolidations or eliminations as may be practicable to avoid the unnecessary expenditure of money and to place the whole finances of the association on what would seem to be a better business basis, and to report at the spring meeting of the executive council."

The matter of the report of the committee on fidelity bonds and burglary insurance, after being thoroughly discussed, was referred back

Fidelity and Forgery
BONDS

Burglary Insurance

National Surety Company

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(Incorporated)

General Agents

The Rookery Chicago

CAPITAL, \$1,250,000.00

SURPLUS AND
UNDIVIDED PROFITS, \$500,000.00DIRECTORSDIRECTORS

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SURPLUS, \$2,000,000.00

DEPOSITS, \$35,000,000.00

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KANSAS CITY, MISSOURI

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E. W. ZEA, Vice-President

F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
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**UNEXCELLED FACILITIES WITH THE MOST MODERN EQUIPMENT ASSURES ACCURATE AND SATISFACTORY SERVICE
A LARGE CAPITAL AND SURPLUS WITH A STRONG ORGANIZATION ASSURES SAFETY**

to the committee, with the understanding that a report would be made at the May meeting of the council. A resolution was adopted providing for the appointment of a committee to report upon amendments of the constitution at the Briarcliff meeting.

At the Briarcliff meeting there were seventy-two members present, every section of the country being represented. At this meeting there were presented over twenty reports of various officers, committees and sections, representing all branches of business to which the association is devoted. A resolution introduced by the finance committee and providing for the selection of members of various committees, in so far as is practicable, from the members of council, thereby saving the expense of additional members to the meeting of the council, was adopted. The following changes were recommended by the committee on amendments to the constitution, appointed at New Orleans:

1. The creation of a membership committee whose duty it shall be to pass upon the qualifications of candidates for admission to our association. (Approved by the council.)

2. A constitutional recognition of the office of general counsel. (Approved by the council.)

3. The formation of a new section to care for the interests of investment bankers. (Disapproved by the council.)

4. A constitutional provision rendering the chairman of the executive council ineligible for election to any other office within a year after his term of office shall have expired. (Approved by the council—not to become effective until the year 1913.)

5. A provision permitting the executive council to group adjoining states for the purpose of selecting representatives on the council. (Approved by the council.)

6. By-law provision for an increase in the membership dues from private bankers and banking houses. (Approved by the council.)

The matter of a section for investment bankers was discussed at Briarcliff and upon vote was disapproved by the council, the feeling being that it would be unwise to create a new section at this time. As provided in the New Orleans meeting, the committee on fidelity bonds and burglary insurance made a report to the council at Briarcliff, in which they made a number of recommendations and asked to be discharged. Their report was adopted and the committee was discharged, subject, of course, to the action of the convention. In conformity with the recommendation of this committee, the chairman was authorized to appoint a permanent committee of three to keep in touch with the rates charged by companies and the general situation, and from time to time make recommendations to the council.

The reports of the various sections indicated much activity, together with a harmonious cooperation for the general good of all bankers. The law committee made a very exhaustive report, indicating much time spent and labor involved, covering the conditions under which savings deposits are received throughout the country, and the character of the investments

which now are being made with such deposits. The committee also outlined what they regarded as appropriate investment for savings deposits, and took up quite fully the question of segregation of such deposits.

No special recommendations were made except the committee believed the question of segregation of savings deposits should be taken up at the Detroit convention, which was not approved by the council, it being believed that it would be impossible to reach anything like unanimous action at that time. The com-



THOMAS B. PATON
New York
General Counsel American Bankers Association

mittee on agriculture and financial development and education gave a very interesting report.

A resolution was adopted recommending to congress the adoption of legislation and liberal appropriations for the aid of field demonstration work. The work of the protective committee of the association has continued unabated through the year in furthering one of the prime purposes of the organization. Through the vigilance and activity of this committee thefts from members and friends in their various forms have become so hazardous to the perpetrators, that instances of that character materially have diminished.

The belief was expressed that the political horizon has not yet sufficiently cleared to expect any modification of the currency laws. With the opening of the Panama Canal the commercial geography of the world will be

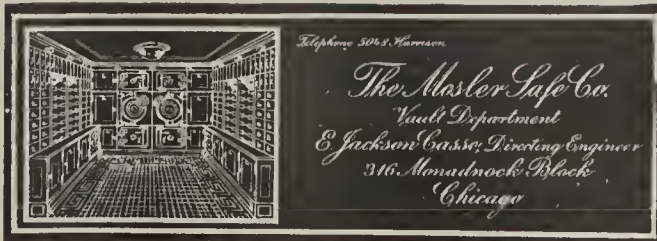
changed, and the United States should be in a position to take rank with other great nations in banking and commerce. Without a change in our laws, however, this will be impossible. The culmination of similar enterprises in times past has been followed by periods of depression and panic. If all of the efforts of the country are needed to care for business at home, foreign nations necessarily will absorb the commerce, which by nature of the change should be ours.

It still is the prime object of the association to urge the adoption of remedial legislation, and the belief was expressed that the currency commission be urged to continue the work, even though adverse conditions may prevail.

Report of the General Counsel

Thomas B. Paton, general counsel for the association, in making his report, told of the work done in connection with the proposed legislation in regard to bills of lading, the making of false statements as a means of procuring credit and of the enactment by the New York legislature of a statute relating to malicious attacks on the standing and credit of banks. All measures recommended by the association have been actively urged this year in the comparatively small number of states whose legislatures met during the year of 1912. Special pamphlets were prepared early in December, containing proposed laws and annotations, and these were forwarded in due season to legislative committeemen and secretaries of state bankers associations. In concluding his report Mr. Paton made several suggestions which he believes to be worthy of the consideration of the association:

The numerous requests for opinions upon disputed questions growing out of the collection of checks and drafts, as well as the conflicting laws of the different states governing responsibility of collecting bank for default of correspondent and of banks forwarding items direct to payer or circuitously by methods not sanctioned by legal decisions, as well as the attempts of banks to secure relief from responsibility by means of clauses in pass books, deposit slips and credit advice cards, suggested to general counsel some time ago the desirability of framing for the approval of the association a uniform code governing collection of commercial paper which, if enacted in the different states, would establish, first, that a bank receiving on deposit paper payable at a distance took the same as agent and not as owner or debtor and also would limit the responsibility of the bank for correspondents to the selection of suitable agents and further provide rules as to methods of forwarding in harmony with reasonable banking customs. The benefits of such a code would be uniformity and simplicity in the law and relief of the first bank from risk and responsibility to its depositor for paper lost in the mail and for losses caused by the neglect or bankruptcy of subsequent collecting agents, as well as the legalizing of proper banking customs in the forwarding of paper for collection. A draft of such law was commenced several months ago but has not yet been completed owing to press of





The progress of a banking institution in one of the great money centers, where competition is extremely keen, depends upon its management and equipment for handling business.

The National City Bank OF CHICAGO

is less than six years old, and its resources are now Thirty-Four Millions which represent a record breaking growth in American Banking. It opened for business February 5, 1907, with deposits of \$2,198,337.25. The following table represents their growth:

December 31, 1907	-	\$ 6,201,815.87	December 31, 1910	-	22,965,928.59
December 31, 1908	-	12,344,125.88	December 31, 1911	-	27,524,223.90
December 31, 1909	-	15,243,602.94	June 14, 1912	-	31,041,046.16

Capital, \$2,000,000.00

Surplus and Profits, \$603,771.99

DAVIS R. FORGAN, President											
ALFRED L. BAKER	-	-	Vice-President	W. T. PERKINS	-	-	Assistant Cashier	WM. N. JARNAGIN	-	-	Assistant Cashier
H. E. OTTE	-	-	Vice-President	W. D. DICKEY	-	-	Assistant Cashier	WALKER G. McLAURY	-	-	Assistant Cashier
F. A. CRANDALL	-	-	Vice-President	HENRY MEYER	-	-	Assistant Cashier	R. U. LANSING	-	-	Mgr. Bond Dept.
L. H. GRIMME	-	-	Cashier	A. W. MORTON	-	-	Assistant Cashier	M. K. BAKER	-	-	Asst. Mgr. Bond Dept.

Wisconsin Trust Company MILWAUKEE, WISCONSIN

Capital - \$500,000
Surplus - 200,000

**TRUST, SAVINGS AND BOND
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other duties. When the first rough draft is completed, it is proposed that its provisions be thoroughly discussed before it is finally submitted for approval.

The many disputed questions and the conflict and uncertainty of state laws relating to forged paper and also the uncertainty in the law concerning the position of a bank which receives on deposit or pays checks signed by an official, agent or fiduciary to his individual order, further suggest the desirability of framing statutes which would regulate and simplify the rules of law governing these subjects. It is proposed to take up this work at the earliest practicable moment.

A further suggestion which has occurred to general counsel, as the result of his correspondence with members, is the establishment under the auspices of the association of a court of arbitration, governed by proper rules and regulations, to which disputes between members over matters of small amount might be



F. A. CRANDALL
Chicago
Vice-president National City Bank
Chairman Executive Council, A. I. B. Section

submitted for decision or adjustment. There are many cases where differences arise between banks as to which is responsible for protest fees or should bear the loss growing out of mistake, fraud or forgery in connection with the collection of commercial paper or some other transaction, in which the amount is comparatively small and does not justify the expense of taking the matter into court. Each contestant believes its own side of the case to be right, fruitless correspondence often results and ill-feeling is sometimes engendered. Several cases of this kind have been submitted to your general counsel by agreement of the parties. The suggestion would seem worthy of consideration whether the establishment of a court of arbitration, such as proposed, would be practicable and beneficial.

Report of Standing Protective Committee

The protective committee reported that there are 79 cases of people arrested prior to September 1, 1911, which have not yet been disposed of. The total arrests since that date are 249, making a total of 328. Of this number 145 have been convicted and 58 have been



E. D. HULBURT
Chicago
Vice-president Merchants Loan and Trust
Chairman American Institute of Banking Committee

released, escaped, killed and died, leaving 125 awaiting trial on August 30, 1912. Since the beginning of the fiscal year, September 1, 1911, up to and including August 30, 1912, there have been 39 burglaries, attempted burglaries, hold-ups and sneak thefts reported on members and 96 similar crimes on non-members. These crimes have been the most numerous in Arkansas, Illinois, Oklahoma and Texas against non-members, as there have been very few attacks in those states on members. The loss by attacks on members by burglars amounts to \$3,375.36, while the loss from attacks on non-members amounts to \$147,422.99. During the past year the protective department has received 15,972 reports and other communications from its detective agents; it also has received 1,260 letters and telegrams and has written 3,365 letters and telegrams. These figures do not include circular letters and similar communications. The committee feels that the Burns National Detective Agency is entitled to much credit for the satisfactory results which have been attained.

Report of American Institute of Banking Section

F. A. Crandall of Chicago, chairman of the executive council, American Institute of Banking, made the following report:

The American Institute of Banking section embraces 12,917 chapter members and correspondence students who are undergoing the process of education with more or less system and seriousness. The success of chapters in large cities has created the impression that the Institute is solely a city proposition, and correspondence instruction among country bankers therefore remains latent through lack of publicity and promotion. The advantages of personal association among students outside of chapter cities are unattainable except through attendance at Institute conventions, but it is confidently hoped that the Institute spirit may be extended by the association of country students in a correspondence chapter of constitutional standing, and closer relationship thus established between country and city bankers. So far as actual acquirement of knowledge is concerned correspondence study is equal in results to the work done in a majority of city chapters and manifestly superior to the work done in many such or-

ganizations. New chapters are desirable in about a dozen sizable cities, but wherever it is impossible to maintain substantial membership correspondence instruction seems to be more expedient than chapter association. A correspondence chapter has, therefore, been established for the purpose of putting country students upon an equal and identical footing with their city brethren. Chapter organization is thus made uniform and universal.

Practical experience has demonstrated the fact that Institute success depends upon adherence to the constitutional objects of (1) educating bankers in the theory and practice of banking and such principles of law and economics as apply to the banking business, and (2) establishing and maintaining a recognized standard of banking education by means of official examination and the issuance of certificates. The standard study course of the Institute as crystalized by the process of evolution has become recognized as the universal



CLAY H. HOLLISTER
Grand Rapids, Michigan
Vice-president and Cashier Old National
Chairman Committee on Bills of Lading

basis of institute work. The fact should be understood, however, that the purpose of the study course thus established is to provide elementary education for thousands rather than advanced education for hundreds or less, and that graduation as evidenced by the Institute certificate should be regarded as the beginning rather than the end of Institute activity. In other words, the Institute study course represents educational necessities rather than educational luxuries. Such fundamental work, however, has so stimulated the spirit of investigation that a system of post-graduate study has been established for the benefit of Institute graduates and other mature students of banking and kindred subjects.

The arrangement under which members of the American Bankers Association are constituted associate members of the Institute section provides necessary revenue and incidental supervision, and the amalgamation of the Institute Bulletin and the Association Journal has proved to be a mutually satisfactory medium of publicity. The cordial relationship between the Institute and the association and the personal friendship between the offi-

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CAPITAL \$2,000,000 SURPLUS \$2,500,000

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C. L. BOYE, Assistant Cashier

cers and employees of both organizations are appreciated.

Chairman Hollister Reports for Bills of Lading Committee

The efforts of the committee during the past year have been devoted to urging bill of lading reform laws before congress and the various state legislatures. The most serious of the defects of the common law proposed to be remedied is the doctrine which prevails in all the federal courts, and in a number of the state courts, that although a bill of lading acknowledging the receipt of described goods is issued by the authorized agent of a carrier, and passes to a "bona fide" holder for value, who takes it relying upon the truth of the statements which it contains, the carrier is at liberty to show the fact, whenever it is a fact, that the agent never received the goods, but issued the bill through mistake or fraud, or as an accommodation to a shipper, and upon such showing free himself from responsibility on the ground that the agent had no authority to issue the bill of lading before the goods were received. It also is desired to have a uniform bill of lading act adopted in all of the states, which will be in the nature of a code of the rules of law relating to the issue, transfer and redemption of bills of lading. A meeting of the committee was called in January of this year, and held in New York. At this meeting there were present several representatives of shippers' organizations. Plans were discussed for urging the proposed legislation, and the duty of carrying out such plans, the arranging for legislative hearings, and the collection and presentation of evidence at such hearings was delegated to Mr. Paton, general counsel for the association. At this meeting a suggestion was made to the committee that it might be possible to obtain the co-operation of the railroad interests to a bill of lading measure fashioned along the line of the request of the committee, which also permitted the railroads to make a charge for the extra service which they claimed thus would be rendered to the shipper. This suggestion was made in such a way that it seemed advisable to submit it to all the members of the committee by mail, and this was done. The reasons for and against the proposition were outlined and the whole matter was submitted in detail to each member of the committee. The consensus of opinion seemed to be that it was not wise to undertake the treatment of that important phase of the question in the bill; that the question of rates was one which properly might be settled by the Interstate Commerce Commission; and that if the railroads could show that there was an extra service, that they had their recourse through this commission.

The next meeting of the committee was held in Washington on the evening of February fifteenth. This was preliminary to the first hearing before the senate committee on interstate commerce. Three hearings were held, consuming five days, on February 16th and 17th and on March 1st, 2d and 15th. The bills under discussion were Senate Bill 957, the Clapp-Stevens bill; and there was also before

the body Senate Bill No. 4713, which had been introduced by Senator Pomerene of Ohio, being a copy of the Uniform Bills of Lading Act approved by the commissioners on uniform state laws for state enactment, modified in certain respects to adapt it for federal legislation. The hearings were in charge of the attorneys for the bankers and shippers. Professor Williston conducted the case for the bankers; Mr. Paton was associated with him. There were present other attorneys represent-

bills; liability on order bills not taken up when goods delivered and took care of duplicate bills.

During the course of the hearings the bankers were asked to state their preference as between the Pomerene and the Clapp-Stevens bills. They stated that the Pomerene bill was perfectly satisfactory to them, being the same law the bankers were advocating in the different states, but that their advices from members of the house were that the shorter measure was the only one practicable to be passed; therefore they favored the latter.

A week before final adjournment of the senate on August 21st our committee was much gratified to receive advices that the senate had on that day passed the Pomerene bill by unanimous vote. The measure now goes to the house committee on interstate and foreign commerce, where it will be urged by our committee at the short session of the 62d congress next winter. Our latest advices from members of the house committee on interstate and foreign commerce are that that committee is not favorably inclined toward the Pomerene bill, while they do favor the Clapp-Stevens bill, and that the house will not consider the Pomerene bill without additional hearings before the committee, which would not have been necessary had the Clapp-Stevens bill come to them from the senate. It is to the interest of every member of this association to do all in his power to urge the passage of the Pomerene bill by the house at the next session in order that the banking and commercial interests of the country may have placed on the federal statute books before the close of the present congress a measure so long sought for and so much needed.

With regard to the promotion of the uniform bills of lading act in the different states our committee would report that we have made active efforts this year on behalf of this law before a number of state legislatures and we are glad to announce that the uniform act has been passed this year by the Louisiana legislature. This makes ten states now having the uniform bills of lading act; namely, Maryland, Massachusetts, Connecticut, Illinois, Iowa, Michigan, New York, Ohio, Pennsylvania and Louisiana.

The delays in getting remedial legislation are very tedious but there is a growing feeling in Washington that these measures are worthy, and while the railroads maintain a definite opposition to them they themselves realize that sooner or later we will get a satisfactory law enacted. Messrs. Ingle and Wexler of our committee both have been of great service in advice, counsel, and effort. Patience seems to be the prime virtue required, for our contentions are worthy and soon will impress themselves upon a body which listens first to the indistinct voice of the people and then to the more thoughtful logic of those who are doing constructive and enduring work in legislation. We cannot speak too highly of the quality of thought that has been given to these vexed questions by Messrs. Paton and Williston, our counsel in the case.



ALEXANDER DUNBAR
Cashier Exchange National, Pittsburgh, Pennsylvania

ing shippers' organizations. Mr. James of Cincinnati presented the case of the shippers, who were urging the passage of the Pomerene bill. The discussion went on at great length, very many witnesses for shipper, banker and railroad being called. The result of this hearing, as far as the committee is concerned, was the final modification of the Clapp-Stevens bill by a short draft presented by Messrs. Williston and Paton to Senator Clapp, the chairman of the committee. This short bill was drawn because of the apparent willingness on the part of the senators to report some short measure, which was not complicated and seemed to meet the necessities of the situation. This modified draft provided responsibility of the railroad for the act of its agent in issuing false



Editorial Comment

THE AMERICAN BANKERS ASSOCIATION

With membership the greatest in its history and at the very zenith of its power, the great American Bankers Association held its thirty-eighth annual convention this week in the city of Detroit. All of the four sections into which the membership is subdivided held separate conventions, each under the supervision of its own officers and with speakers of its own selection. The sessions of the general association were largely attended and the entertainment provided was of the very highest character.

The American Bankers Association had a small beginning. In a great many quarters the purposes of the association were misrepresented, and in the earlier days it was flouted by all of the leading political parties. The association, however, kept steadfastly to its purpose, and to-day is admitted to be the most powerful organization in existence. The reforms which it has accomplished have had much to do with the prosperity and general welfare of the country. Practically all of the statutes for the protection of banks against frauds have been secured by the co-operation of its membership. But for the American Bankers Association it may well be doubted if the United States soon would have adopted the single gold standard, and it is unquestioned that it was the American Bankers Association, by the appointment of its currency commission, which finally led to the creation of the National Monetary Commission and its splendid plan for reforming the currency and banking of the country. Only within a fortnight the national congress has placed its endorsement upon the efforts of the A. B. A. by passing the bill of lading bill, which for many years held a prominent place on every program at every convention held by the organization. From its membership developed the agitation which resulted in a world-wide money order system, and also in the banks retaking to themselves functions which had been absorbed by private enterprise. Owing to this intervention in the field of foreign exchange we now have the traveler's check, good in any country in the world. It was the American Bankers Association which built up a protective organization against bank workers and yeggmen, which rapidly is stamping out the once powerful organizations which operated largely upon the moneyed institutions of the country. Within the last two years the association has gone upon record in the better-farming movement, and in the reformation of the school system and at Detroit one entire session of the convention was given over to such subjects. It was conceded by those who even have given but casual attention to such subjects, that the bankers have done more to forward soil improvement in two years than had been accomplished by all other organizations in the past half-century.

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

Another field in which the American Bankers Association has taken a strong position is in securing the adoption in most of the states of uniform negotiable instrument acts. Its efforts in legislative direction have been directed only toward subjects which have a direct or indirect bearing upon banking. Even the farm movement has been found to be upon investigation one of the most productive ever undertaken by the bankers. The doubling of the soil products of any community will more than double the profits of the banks of that community, and for this reason some persons have attributed self-interest to the bankers as a controlling motive in the present movement. Bankers, however, stand upon the broad principle that whatever is good for the business or farm interests of any community is good for the banking business. Conversely, most of the things which benefit the banking business of a community will improve other conditions in a direct ratio.

Nothing entirely new or novel was produced by the meeting at Detroit. The general consensus of opinion seemed to be that the business conditions of the country are resting upon a firm basis and that in nearly all sections there is a degree of prosperity quite unusual in recent years. The country never has had better general crops than this season. Bankers expect to be taxed to the utmost to supply funds to care adequately for the crop movement and for the improved collateral business conditions in every community, which are benefited directly by large crops. Railroad men who were in attendance at Detroit admitted freely that the transportation problem of the present crop season is the greatest in the history of the trunk lines. The political situation was not admitted by any speaker at Detroit to have any adverse bearing upon the business or banking situation. Nothing which happened

Convention Dates

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.

at Detroit can be construed otherwise than as a prediction for increased national prosperity and for saner and safer banking conditions in every state in the Union.

BIGGEST COMMERCIAL ENTERPRISE IN AMERICA

The big waterpower dam nearing completion at Keokuk, in the Mississippi river, is nothing short of an economic revolution. It will leave the river more useful in other ways than ever before and will furnish cheap power for manufacturing in the richest agricultural center in the known world. There will be thirty huge turbines, the largest ever built. Comparison is the easiest way to get a proper concept of this huge undertaking. This one power plant will have turbines which whirl their shafts with a capacity equaled by the total water power of only three states, Maine, California and New York. It will have three times the power on the shafts of any other single power house in the world; it will have half the total output of the five plants on both sides of the boundary at Niagara; it will be equal to three times the total steam power used in manufacturing in Iowa to-day, and the agricultural products of that great agricultural state barely exceed its manufactured products. There is really no other single water power development that approaches it in size in the whole world.

The cheapest coal in the world, and the cheapest steam power in this country, is in St. Louis, adjacent to the Illinois coal field. Yet St. Louis has contracted for ninety-nine years for 60,000 horsepower to be transmitted there from the Keokuk dam. The facts in this paragraph are what make the Mississippi River water power development so important—it is already resulting in the building of a great manufacturing region, two hundred miles long, in the heart of the United States. When the tremendous horsepower of the Keokuk installation is translated into machines and factory output, it reads a shifting of the manufacturing center of the United States westward. Many believe that the coal famines of future ages thus are being discounted. Next let us solve the flood-water question and store the excess for use in the arid southwest. The possibilities of the Mississippi Valley have no limit but the capacity of the engineer. Without a Hugh L. Cooper we might never have put the Father of Waters in working harness.

DULUTH'S BANK DEPOSITS

As disclosed by the quarterly statement, the deposits in Duluth's banks amount to \$26,418,134.09. This is by far the largest amount ever on deposit in Duluth at one time. It is an average of more than \$330 for every man, woman and child in Duluth; and few communities are so rich. These figures show a solid prosperity, and they show that this prosperity is growing.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ¶ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ¶ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

Trust Company Section

The trust company section of the A. B. A. met on Wednesday and Thursday mornings in the convention hall, Hotel Ponchartrain. The meeting was called to order by President Fries at ten o'clock and the invocation delivered by the Very Rev. S. S. Marquis, D.D., dean of St. Paul's Cathedral, Detroit. The address of welcome was made by the Hon. David E. Heinemann, comptroller of the city of Detroit. The reply was made by President Fries, who then delivered his annual address. Reports of the secretary and of committees then were heard. George M. Reynolds of Chicago delivered a very able address on the money trust inquiry, being the first banker so publicly to declare himself on this subject. Henry M. Bates, dean of the University of Michigan, talked on "Some Unscheduled Liabilities," and Breckinridge Jones of St. Louis, often referred to as the father of the trust company section, told of the achievements of the section during the past fifteen years. The following subjects had been selected as of interest to the section, and were productive of much discussion by the members present, who spoke freely on them: "Segregation of Savings Deposits Held in Trust Companies;" "Advantages of Co-operative Publicity of Trust Company Functions," and "Annuities and Pension Funds for Employees." There was a roll call by states, answered by the vice-presidents of the section in brief written reports dealing with the history of trust companies in the several states during the preceding year, and with the conditions under which they now are operating. An opportunity was afforded the vice-presidents to be heard from in brief addresses amplifying or explaining any topics contained in their reports.

Address of President F. H. Fries

It is our good fortune to meet this year in the charming, progressive and historic city of Detroit, where fifteen years ago the trust company section of the American Bankers Association held its first annual meeting.

We note the marvelous growth of this city and the great development of its business since last we were here, and we realize that it is a part of the general prosperity that has blessed our entire country. During these fifteen years the population of the United States has increased thirty-three per cent, and its trade and commerce has doubled; bank deposits indica-

tive of this growth have increased in the same ratio and the bank clearings show that all sections of the country have shared in this prosperity.

If the trust company, as an institution, is a natural result of our business and financial development, as we believe it is, this great prosperity must have affected the growth of trust companies and be quite apparent in the growth of the trust company section. There was no statement made at the first meeting as to the number of trust companies then in existence, but their total capital and surplus was stated as \$224,606,000, with assets amounting to \$405,516,714.22. To-day the trust companies of the United States number over 1,800, with resources aggregating \$5,500,000,000, besides which they control in some trust capacity \$35,000,000,000 more. The membership of the section has grown during this time from 120 to 1,250, and their resources from four hundred million to four and one-half billion dollars. Thus, while the population of this country has grown 33 per cent, and the business 100 per cent, the trust companies of the section have increased in number and resources about 1,000 per cent.

The responsibility upon the trust company section cannot be avoided, because trust companies are and probably ever will remain state institutions. The trust company section is the

only common ground upon which they can meet, and its influence the only one that successfully can be exerted to bring about uniform and improved methods and practices and the passage of better laws in the different states, and from it should emanate every good thing that will help to standardize or improve this work. The varying interests involved and the character of this work broadens the scope of the business necessarily undertaken and opens a larger field of effort that necessitates the handling of details that may differentiate this from other sections of the American Bankers Association, and yet these very interests draw us into more intimate relation with all the other sections and should tend to cement in a peculiar degree the ties of mutual interest and esteem.

There have been evidences in the past that the general association may not have appreciated the peculiar conditions that have surrounded the trust company section and that some of the members may have become impatient with the interest and zeal that has been shown at times in its affairs; it even has been stated upon the floor of the general association that the trust company section contemplated withdrawing from the parent body.

This is not correct and these impressions should not exist, for it is desirable that the union should be maintained, not only on account of the greater efficiency in matters of general legislation, but because of the greater advantages that arise from closer sympathy and wider acquaintance, and the strength and influence that comes by reason of this union. The best thing possible for all concerned lies in working for the real benefit of the individual members, which can be accomplished through the material advancement of their interests. For this reason, I am sure that you will listen with a very great deal of pleasure to the paper entitled, "Achievements of the Trust Company During the Past," and I recommend a careful consideration of the reports of the various committees which will show what is being done in the present and to the discussions of this meeting which doubtless will forecast the possibilities of the future.

Perhaps the most important of the possibilities is the passage of the bill proposed by the Monetary Commission for monetary reform which is at present held in abeyance on account of the political situation. It is hoped,



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\$2,000,000.00**

**SURPLUS
\$1,000,000.00**

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Drovers Deposit National Bank OF CHICAGO

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Has for over twenty-nine years rendered quick and efficient service to its correspondents

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THE conduct of this Bank has been marked by the adherence to sound banking principles, and its deserved reputation for conservatism and strength has won for it the confidence of the public to an unusual degree.

☞ We cordially invite the business of *banks* and *bankers*, feeling confident that our splendid facilities will render an account once established of permanent and mutual satisfaction and profit.

Capital \$500,000

Surplus and Profits \$635,000



however, that this is only temporary, that the merits of the measure will win for it a favorable consideration, and that its importance to all branches of business and all classes of citizens will ensure its adoption.

The legislative committee has given this measure much careful thought and has secured for trust companies full and favorable recognition, which should recommend the bill to the earnest support of all members and their representatives in congress. The success attending the efforts of this important committee would seem to warrant the belief that a determined effort on the part of its members might result in obtaining uniform trust company laws in the various states. We realize the almost chaotic condition of the laws affecting trust company business and what a stupendous undertaking this would be, and yet the success attending the passage of the negotiable instrument law and the present condition of proposed legislation for a uniform bill of lading should afford every encouragement to hope for reasonable success. The possibilities along these lines are very great.



F. H. FRIES
Winston-Salem, North Carolina
President Trust Company Section

The excellent work done by the protective laws committee also is encouraging as the report will show, but the prohibition of the use of the "Trust Company" name to unworthy institutions that seek a chartered existence, is not sufficient to save it from slander if companies already chartered and bearing the name are guilty of questionable practices, and this is the case. There are at present promoting companies in three different states, bearing the name of "Trust Company," whose object and aim, as well as work, is reprehensible. If it is at all possible the powers and work of the committee should be enlarged.

The rapid growth of business has necessitated the introduction of methods of accounting and reports that are different in almost every institution, but no one will say that all are equally efficient or equally good, and all will say that there must be a best one. Cannot a more effective effort be put forth to



BRECKINRIDGE JONES
St. Louis, Missouri
President Mississippi Valley Trust Co.
Who Delivered an Address before the Trust Company Section

standardize these forms and methods, than the publication of a book of forms for choice, admirable as that method was a few years ago?

Trust company advertising and publicity work is necessary in a business where so little is known and so much information is needed, and this branch of the work is attracting much attention. The intelligent direction by experienced leaders would be appreciated and valued by most, if not all, of the members.

These and many other things claim the attention and the special interest of the section, but the most important of all is the influence that the section constantly can exert to raise the standard of service. The work accomplished is important but the spirit and faithfulness shown in the doing of it is still more so—absolute truth and honesty are the cardinal virtues that belong to the officials and work of the trust company. There is no room for falsehood in any form, from the advertisement that "cries our wares" to the final settlement with a most dependent ward.

The section has called into its immediate service in the past men of unblemished character and high ideals and they have had much to do with what has been accomplished. Appreciating this as I do, I want to emphasize the importance of securing the very best men in the trust company business as officers and members of committees, so that the "highest ideals" ever will remain the goal toward which all members are directed.

Allow me to recommend the continuance of the annual banquet of the trust companies of the United States, given each spring under the auspices of the section. No single agency has done more for the reputation and upbuilding of the section. So long as the high standards of the past two years is maintained the banquet will do the section great good. I would also venture to suggest a more intimate relation between the section and the state trust company organizations, the forming of which should be encouraged in every way; also the cultivation of the respective vice-presidents of

the various states through whom more effective work can be done.

I cannot close without making due and grateful acknowledgement to the officers of the section and the members of the committees with whom it has been my good fortune and pleasure to serve.

May the coming years bring to the section and all its members the prosperity and success they deserve.

Report of Executive Committee

F. H. Goff, president of the Cleveland Trust Company, reported for the executive committee. The trust company section was organized in 1896 and its first meeting was held in Detroit in 1897. In that year there were 114 members, having combined resources of about \$350,000,000; now there are 1,237 members with combined resources of approximately \$4,500,000,000. Much notable work has been accomplished during the period which followed the organization of this important section. The laws of the several states relating to trust companies have been collated and published;



DUDLEY E. WATERS
Grand Rapids, Michigan
Chairman of the Board, Grand Rapids National City Bank
Member Executive Council A. B. A.

a complete set of approved trust company forms has been carefully compiled; the duties and liabilities of trust companies in acting as registrar and transfer agent, as trustee under corporate mortgages and in conducting a safe deposit department, have been studied and defined; a beginning, at least, has been made in standardizing the method of accounting and the use of the word "trust" in corporate titles has been protected by legislation in most of the states.

In 1897 only nineteen of the states and territories of the Union had passed general laws providing for the incorporation of trust companies; to-day, not only have such laws been passed, but strongly financed and prosperous trust companies are doing business in most, if not all, of the states.

At the meeting of the committee at Briarcliff this spring it was decided that the work of the protective laws committee be enlarged

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The Whitney-Central National Bank OF NEW ORLEANS

Capital - - \$2,500,000

Surplus - - \$1,500,000

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CHARLES GODCHAUX	- President	JOHN E. BOUDEN, Jr.	- Vice-President	MAURITZ PYK	- - Asst. Cashier
FRANK B. WILLIAMS	- Vice-President	HARRY T. HOWARD	- Vice-President	N. E. BERTEL	- - Asst. Cashie
CHARLES M. WHITNEY	- Vice-President	JNO. B. FERGUSON	- - Cashier	N. M. WHITNEY	- - Asst. Cashier
SOL WEXLER	- - Vice-President	E. H. KEEP	- - Asst. Cashier	CHAS. T. BAISLEY	Mgr. Foreign Ex. Dept.

The Whitney-Central Trust & Savings Bank NEW ORLEANS, LA.

CARROLLTON BRANCH, 8132 OAK STREET

Capital - - \$200,000

Surplus - - \$50,000

OFFICERS

CHARLES GODCHAUX	- President	HARRY T. HOWARD	- Vice-President	W. W. BOUDEN	- - - Cashier
SOL WEXLER	- - Vice-President	JOHN E. BOUDEN, Jr.	- Vice-President	JNO. L. COUTURIER	- - Asst. Cashier

Deposits—Whitney-Central National Bank	- - -	\$17,496,000.17
Deposits—Whitney-Central Trust & Savings Bank	-	4,863,824.83
Total Deposits	- - -	22,359,825.00

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to secure the adoption as far as possible of laws by the several states providing for supervision, regulation and control of trust companies acting in a fiduciary capacity. It is believed that the attention of the organization should be directed toward obtaining the adoption of uniform laws properly safeguarding the exercise of trust functions by corporate institutions. It also was deemed advisable to endeavor to make better known to the general public the advantages of corporate trusteeship, by a co-operative publicity campaign.

The membership of the section has increased 100 during the past year. With the office accommodations and facilities now afforded, it is believed that the value and efficiency of the work done by the secretary can be so increased that the advantages to be derived from membership will make it profitable for every trust company to join the association.

NO MODEL TRUST COMPANY LAW

At the meeting of your executive committee, held at Briarcliff on May 8, 1912, the following resolution was adopted:

"Resolved, that the tentative draft of the trust company law prepared by Mr. Paton, general counsel, be referred to a committee, of which Mr. Fuller shall be chairman, such committee to report any suggestions, corrections or amendments of such draft at the next meeting of the section."

Your committee respectfully reports that after careful consideration of the subject it has reached the conclusion that it is inexpedient at this time to attempt to draft a model law covering all of the functions of the various kinds of institutions using the word "trust" in their title, but that its efforts along that line at this time should be limited to the preparation of a draft of that portion of a trust company law which relates only to the handling of matters in trust and particularly to the conservation of trust funds and trust estates.

Therefore, your committee feels that the draft prepared by Mr. Paton, admirable as it is, covers in its scope a larger field than it is wise to attempt to bring under the action of a uniform law at the present time.

Although appreciating the desirability of having all the trust companies in the United States operating under identical laws defining and regulating all of their rights and powers, your committee believes that an attempt to introduce such a law in all the states of the Union under existing conditions would not meet with a favorable reception.

Your committee believes, however, that a draft of a model law, in so far as it relates only to the rules, regulations and safeguards of the trust departments of all institutions which accept and administer trusts, is practicable and would be interesting to all the members of your section, and especially advantageous to those who are interested in the enactment of new and better trust company laws in some of the states where the laws regulating trust companies are at present far from ideal. In the opinion of your committee a new draft

should be prepared on the limited lines that it has indicated rather than that the draft referred to it for consideration should be amended. Such a draft should be the result of most careful study in its preparation, and this it has not been possible for your committee to expend during the limited time at its command.

It suggests, therefore, that it be discharged and that the duty imposed upon it be assumed

CITY NATIONAL BANK, COUNCIL BLUFFS, IOWA

City National Bank of Council Bluffs, Ia., has made a very strong showing during the short period of its existence. Established only in 1909, it now has close to a million in deposits. The capital stock amounts to \$120,000, with surplus and undivided profits of \$40,000. T. G. Turner is president of this progressive institution; J. G. Wadsworth and Oscar Keeline are vice-presidents and Charles R. Hannan, Jr., is the cashier. Mr. Hannan is a son of the late Charles R. Hannan, who from 1885 up to the time of his death was very prominently identified with the banking interests of Iowa, having been president of the state association, a member of the executive council of the A. B. A. and a potential factor in the establishment of the group system in the state. The younger Mr. Hannan recently was elected treasurer of the Iowa Bankers Association. Through his extensive banking experience, he is well equipped to look after its finances. He is one of the younger members of the banking fraternity. His marked aggressiveness and pleasing personality have been largely instrumental in placing the City National in the foremost rank of progressive, up-to-date Iowa banks.



CHARLES R. HANNAN, JR.
Cashier City National, Council Bluffs, Iowa

by the already existing committee on legislation under the advice of a general counsel of the association to the end that there may be presented for consideration at the next annual meeting of this section a draft of a model trust company's law in so far as such law relates to matters in trust. Respectfully submitted,

Oliver C. Fuller, Chairman,
Albert A. Jackson,
Isaac H. Orr.

CHANGES IN FARGO BANK

Carrying out the original plan when the Northern Savings Bank of Fargo, N. D., was organized an important change in Fargo banking circles was effected recently, wherein H. P. Beckwith, treasurer, acquired the interests in that institution of Geo. H. Hollister, J. G. Thompson at the same time disposing of his interests in the Northern Trust Company to them. F. F. Grant, now vice-president of the savings bank, will become its president and Mr. Beckwith will become its vice-president and managing officer, devoting his entire time to the bank, while Mr. Hollister continues as president of the trust company, and he and Mr. Clemens, the secretary, will devote their entire time to that institution. The directorate of both the bank and the trust company will practically remain as heretofore and for the present both institutions will occupy the same banking room, No. 62 Broadway.

The Northern Savings and Northern Trust have each shown a remarkable growth since organization and now rank exceptionally high in the banking circles of Fargo and the state, and the large increase in business of both is responsible for the above change. The capital stock of the savings bank will be increased to \$100,000 in the near future in order to more properly care for its fast increasing business.

NEW LORIMER BANK ORGANIZED

It is reported that the organization of the LaSalle Street Trust and Savings Bank of Chicago practically is completed. The new bank is to be run in connection with the LaSalle Street National Bank of which William Lorimer is president. Both institutions will have their quarters in the Farwell Trust Building, 226 South LaSalle Street. It is said that the real estate transaction will involve about \$500,000. The capital stock of the new institution will be \$1,000,000, the same as that of the national bank. The subscription price is to be \$125, which will create a surplus of \$250,000. The organization of the new bank is in conformity with the original ideas of the founders of the national institution. When a charter for the latter was taken out they also secured one for a state bank. It is said that stockholders of the national bank have approved the proposition, and have agreed to take an amount of stock in the state bank equal to their holdings in the national. The officers of the new institution probably will be the same as those in the national bank.



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The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

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Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
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ORGANIZED 1838

NATIONALIZED 1865

The American Exchange National Bank NEW YORK

Capital
\$5,000,000



Surplus and Profits
\$4,766,000

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E. A. BENNETT - - Assistant Cashier

WALTER H. BENNETT, Vice-Pres. and Cashier
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Clearing House Section

The clearing house section of the A. B. A. met in private dining room S, convention hall floor, Hotel Ponchartrain, on Wednesday and Thursday mornings, and was called to order by President Charles A. Ruggles of Boston. The invocation was delivered by the Rev. Maurice Penfield Fikes, pastor of the Woodward Avenue Baptist Church, Detroit, and the address of welcome was delivered by James T. Keena, counsel for the Peoples State Bank; the response was made by Walter H. Bennett, vice-president of the American Exchange National of New York. The annual address of President Ruggles was followed by committee reports and action thereon, and by the report of Secretary O. Howard Wolfe. C. R. McKay of the First National of Chicago, chairman of the numerical committee, led a discussion of the numerical system. Sol. Wexler, vice-president of the Whitney Central National of New Orleans, talked on the functions of the modern clearing house. On Thursday there was a discussion of the collection of country checks through the clearing house, led by Jerome Thralls, manager of the Kansas City Clearing House. This was followed by a paper on uniform clearing house reports and bank transactions, led by Frank Greene, managing editor, the Bradstreet Company, New York. The roll was called by cities. After the installation of officers the session adjourned, and was followed by a meeting of the executive committee, for the purpose of selecting its chairman and secretary of the section.

Address of President Charles A. Ruggles

A detailed account of the work and the results accomplished by this section the past year will be rendered by the secretary and the several committees, but it is the pleasure of the president to refer briefly to the various topics which have been presented for discussion and action. By many this is considered the most important section in the association, and it is quite certain that many important movements to facilitate the conduct and safeguard the interests of banking have had their origin with or have been referred to this section for consideration.

Perhaps the most important of these is the

examination of banks by an official especially appointed and under the control of the several clearing house associations. It was hoped the comptroller of the currency would accept an invitation extended to him to address the section on this important subject at the present session. In declining he writes: "My views on the subject of clearing house bank examinations have been clearly set out in a letter sent to all clearing house associations in the United States. I do not believe that anything I could



CHAS. A. RUGGLES
Boston, Massachusetts
President Clearing House Section

say would add any force to that letter or have any additional effect."

In this connection to quote from his expressed views on this topic may be of interest:

"I strongly favor the plan, having urged its adoption in reserve cities especially, and, in urging it, have stated that one of the greatest forces to-day for safe and conservative banking is a well-organized clearing house association with comprehensive and efficient by-laws, having its own examiner to report directly to it any bad or dangerous condition found in any bank in the association.

"There is a corps of examiners, national and state, reliable, hard-working, conscientious men, doing the very best in their power under the various laws under which they work to ascertain the exact conditions in all of these banks and report them to the state superintendents and to the comptroller. The appointment of the clearing house examiners does not mean that these men are not doing their work well—for they are. But the clearing house committee does not have access to their reports and wants its own examiner to tell what the exact conditions are, and if they are bad the effective

by-laws under which the banks in the clearing house are federated give the clearing house committee ample power to correct bad banking conditions very promptly.

"I believe that the whole plan of clearing house examinations can be very much improved and better results obtained by a wider scope of co-operation that now exists. The plan of co-operation now extends to practically a matter of clerical help between the national bank examiner and the clearing house examiner. In other words, if the clearing house examiner is in need of clerical help he draws upon the force of the national bank examiner and vice versa; in addition the clearing house examiner and the national and state examiners often go into a bank at the same time in order to avoid an almost continuous upset of the bank's business. I would go very much further than this. The national bank examiner, the state examiner and the clearing house examiner should consult very fully as to the condition of any bank whose condition was not satisfactory, and supplementing and carrying out this plan of co-operation, the clearing house committee and the state supervisor of banks should confer about a bank, if it should be a state bank, and the comptroller of the currency and the clearing house committee should have a like conference if the bank be a national bank. If the condition of a national bank is not good a conference should be had at once between the national bank examiner and the clearing house committee, and if the condition warranted it a conference should be held between the comptroller and the clearing house committee. If a state bank were involved, then a conference should be held between the state bank examiner and the clearing house committee, and, if conditions warranted it, ultimately between the clearing house committee and the state supervisor of banks. While this plan goes much further than any now in effect, it is the logical and businesslike way of handling the situation. It is workable and will bring about the very best results possible, provided that each of the parties involved will agree to co-operate."

An endorsement from such a source can but



JOHN K. OTTLEY
Vice-president Fourth National, Atlanta, Georgia
Chairman Executive Committee, Clearing House Section



O. HOWARD WOLFE
New York City
Secretary, Clearing House Section

The Dime Savings Bank

DETROIT, MICHIGAN

Capital, Surplus and Profits over **\$1,700,000.00**
 Deposits over - - - **11,500,000.00**

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Cashier

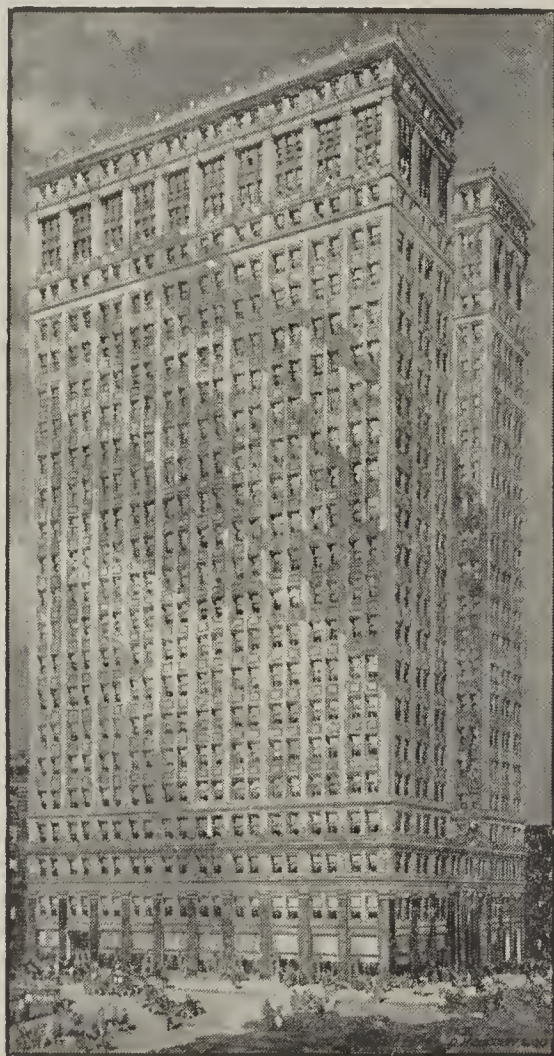
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Assistant Cashier

L. C. SHERWOOD
Assistant Cashier

D. S. CARNEGIE
Assistant Cashier

C. E. PARTRIDGE
Assistant Cashier

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HENRY FORD

R. H. WEBBER

C. A. WARREN

lished, the quicker it becomes universal, the sooner will checks be collected and drafts issued on a more expeditious and scientific basis.

The subject of uniform reports of clearing house exchanges has received the consideration of the executive committee for several years, but owing to press of more important matters no definite action was taken until last year, when a special committee was appointed, who have given the question much time and thought, the result being that some fifteen clearing house associations have signified their intention to aid in establishing a uniform system of reports to this section, and as many more have the matter under consideration, with prospects of favorable action. In order that the work undertaken by this section may be carried to a successful conclusion, it is essential that the members give it their personal attention, and it is suggested that clearing house managers keep informed on all matters affecting the welfare of clearing house associations. It is more than probable that these associations will play an important part in the much-needed currency reform movement, which might be worked out by a system similar to that suggested for the exchange of checks, and it is therefore of the greatest importance that the administration of our clearing house associations be maintained at the highest standard.

Report of Executive Committee

John K. Ottley, Atlanta, Ga., as chairman, reported for the executive committee:

The detailed report of what has been done by the clearing house section will appear in full in the published proceedings of this body. I take this opportunity to urge upon you a study of the report. It is not lengthy and I believe you will find it interesting.

It will give you an idea of the definiteness with which the section is endeavoring to bring the banks of the country into closer and more mutually advantageous relations.

To this end, our attention has, during the past year, been centered on the development of the numerical system, the appointment of clearing house examiners, a system of uniform reports of clearings, and plans for securing uniformity in exchange charges on country checks.

The section also is trying to interest the fraternity generally in the organization of clearing houses, believing that the benefits of such organizations are very great even in towns where there are not more than three or four banks.

Whatever strengthens local banking interests adds necessarily to the influence and usefulness of this association. And the converse of the proposition is also true. With this in mind, your clearing house section believes that it can render the association no more valuable service than to develop a spirit of active co-operation and to awaken a desire among the banks of all our towns and cities for the adoption of such forms of organization and such methods as have been successfully worked out and will secure the most harmonious and profitable results.

Frank Greene on Bank Clearings; Uniformity Urged in Compilation

As my memory goes back to a time twenty-six years ago, when there were only thirty-two clearing houses in Bradstreet's American list, and I face the representatives of 128 cities now possessing clearing houses, I become more and more certain that, as a one time "infant industry," the clearing house has made good in a most surprising way. I do not now speak of the ever-widening beneficial purposes served by your organizations, their solidarity in time of stress, their effectual welding of

TRANSACTS A GENERAL BANKING BUSINESS
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strengthen the movement and add to the list of seventeen principal clearing house associations which now employ special examiners.

The question of how to facilitate collections as well as to reduce the cost of making them may be said to be improving with age. It has been a subject of general discussion by bankers in all sections of the country during the past year, and success has followed the efforts put forth in Atlanta, Boston, Kansas City, Macon and Nashville as well as in many smaller cities where the clearing house acts as collecting agent. The next step would seem to be to devise a plan to bring about harmonious action between competing centers, when favorable results would be certain to follow, and the solution of the question of exchange charges would be reached; the several central cities or zones could exchange items with each other on terms that greatly would reduce the cost as compared with the methods now in

vogue, and also would enable the banker more readily to analyze his accounts.

The numerical system has made remarkable progress the past year, and nearly eight thousand banks now are using the numbers to be found in the key issued a year ago. Mainly through the efforts of the numerical committee, ably assisted by clearing house associations and local committees organized for this purpose in all the principal cities, this result has been attained. Chapters of the American Institute of Banking also have sent out literature urging its adoption, with highly satisfactory returns. It is estimated that between twelve and fifteen million checks per day are now being handled numerically. Progression being the order of the day, these numbers not only should appear on checks and drafts but also on all stationery, business cards and advertisements. The system having been proved a distinct success and its permanency estab-

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banking power for the public good, or their grouping of scattered units in harmonious circles for the better protection of the commercial fabric. I am here speaking of clearing houses as a source of public information, as producers of measures of trade volume, and of financial progress along an infinite variety of lines. A plea for standardization of statistics has, I submit, a good basis in the already ascertained data of past progress, and in the confident conviction that there still is a widespread need for the setting up of reliable trade signposts for the future.

In May, 1886, Bradstreet's first began the collection of weekly returns of bank clearings or, as they sometimes are called, exchanges. The field was then not an untried one. Several journals were collecting and publishing statistics of bank clearings. Bradstreet's effort was to collect them on Friday and publish them on Saturday of each week. This, for a country of the size of ours, was a large undertaking. The writer recalls well when the change was made closing the week on Thursday. In the last half of 1891 the Boston Post, which had for years collected returns for the week ending Saturday and published them on Monday, stopped this work. The writer likewise remembers calling on the press association managers and offering them Bradstreet's figures to take the place of those compiled by the Boston Post. Since then Bradstreet's weekly returns have appeared regularly on Saturdays in the country's leading newspapers.

A word now as to the part the press associations and newspapers play in the dissemination of this information, their chief, indeed their only, reward being the consciousness of a public duty done. I need hardly tell you that the work of carrying these returns out to the country, as of collecting and compiling them and their accompanying percentages, has grown with the years and with the starting of new statistical producing centers. Special efforts have been necessary both on the part of Bradstreet's and on the part of the news associations to handle this matter. New clearing houses are clamoring for admission to the list, and as there are fully 225 cities of the United States with a population of at least 25,000 inhabitants, the possibilities in the matter of future organization of clearing houses and this by-product of theirs, clearing statistics, seem simply boundless. Those of us who were present before

this infant threw off its swaddling clothes sometimes are appalled at the problem that the prompt compilation of these returns present for the future.

As to the system followed by Bradstreet's in collecting and disseminating these returns, I would say that we request managers of the clearing houses to telegraph the weekly clearings, one side of the account only being asked for, each Thursday night to the editor of Bradstreet's at New York. These are received Friday morning, the percentage of increase or decrease from the like week a year ago is calculated, and totals are made. The figures then are set up in type, proofs are pulled, late arrivals, of which there always are some, are inserted, and clean proofs are given to representatives of the various press associations at the latest at 3 P. M. on Friday. That night the statistics pass over the wires to hundreds of newspaper offices, and the next day readers of the Saturday morning newspapers may see what their cities have done in the past week in a financial way.

As a measure of the pulse-beat of finance week by week, month by month and year by year, there is nothing like this compiled, distributed and published in any other country in the world. It is, of course, needless to lay emphasis upon the desirability of uniformity in the compilation of such statistics, whether they are regarded as a mere statistical record, or, as in the case of cities which are enjoying great banking activity, when they develop into eagerly sought advertising matter showing marvelous business growth.

I am afraid that this paper already has passed the bounds of your patience, but I cannot close without making a plea for intelligent care in compilation of these and other immensely valuable indices of financial and commercial progress. Whatever improvements you may decide upon as fitting for showing true banking volume as opposed to mere exchanges at the clearing houses only, I would suggest that the collection of clearings returns

themselves be not abandoned. That the records of the past themselves are of great value goes without question. That at the same time a truer measure of real financial movement may be compiled with only a trifling addition to the work of you bankers is, I think, easily to be conceded. As an outsider, not familiar with banking practice, it seems to me that a total of the checks paid by a bank in the course of a day or week or month, might, perhaps, furnish an easily compilable measure of business. This is only a suggestion. Of course, we believe now, and we have worked hard in the past to have the view accepted, that the doubling of the sums of items simply results in useless stuffing of totals that bring the compilations as a whole into disrepute. Summed up, the situation seems to be something like this: Clearings, exchanges, call them what you will, must continue to be compiled as long as clearing houses endure, and as long as you gentlemen meet and exchange checks, drafts, etc. Returns of total bank business may be compiled in the future in any way to be agreed upon by you. The two different sets of figures can, and no doubt will, furnish interesting comparisons, for one thing as to the extent that a labor-saving institution, such as a clearing house, after all, is, renders easier and safer and more expeditious the settlements between banks. Here it may be possible to draw a sharp line between the purely credit side of banking as opposed to the total of all, including cash, business. Thus the two sets of figures will complement each other, and both will be highly desirable of ascertainment. In your hands, at all events, rests the future of true banking statistics. As reporters of facts in trade and finance, we would only plead for the preservation of bank clearings returns as they have been compiled at most of the large cities, one side of the account—say the total of checks presented at the clearing house for exchange—being counted, because of the value of these returns over the years. As for any new returns of business that may be compiled, we simply would ask that whatever is agreed upon be standardized. Given this, we count confidently upon an enrichment of the business world by the preservation of the many existing true statistical measures of progress, and the addition thereto of others which are destined to become more valuable as the numbers of your clearing houses increase and your association and its members grow in wealth, in power and in public service.



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Capital, \$500,000.00

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GROWTH OF DEPOSITS

Dec., 1909, \$1,396,685.21	Dec., 1911, \$2,943,358.81
Dec., 1910, 2,271,473.03	Aug., 1912, 3,300,671.80

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Capital and Surplus
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Capital and Surplus \$1,500,000

Savings Bank Section

The savings bank sessions of the A. B. A. were held Wednesday and Thursday mornings in the green parlor, convention hall floor, Hotel Ponchartrain. After the invocation by the Rt. Rev. Edward D. Kelly, auxiliary bishop of Detroit, greetings were extended by William Livingstone, president of the Dime Savings Bank, Detroit, and president of the A. B. A. After the annual address of President Alfred L. Aiken, reports were heard from the secretary and from committees. Theodore L. Weed, director of the postal savings system of the United States, delivered an address, the subject of which was "The Postal Savings Bank and the Banks." Edwin Chamberlain vice-president of the San Antonio Land and Trust Company, talked on European land and rural credit facilities. Mr. Chamberlain has but recently returned from a tour of Europe, where he has been investigating this subject, and his remarks were extremely interesting. John J. Pulleyn, comptroller Emigrant Industrial Savings Bank, New York, talked on the savings bank and the community. After the election and installation of officers for the ensuing year, adjournment was taken. Immediately after the adjournment a meeting of the executive committee was held.

Address of Alfred L. Aiken

It is a pleasure to report the continued growth of our section through the tenth year of its existence. Starting from modest beginnings in 1902, the savings bank section has grown steadily until it now has a total membership of over 2,000. The detailed figures of this growth will be duly reported in the secretary's report at a later time in the convention, but the section has justified its existence as measured by standards other than by the mere matter of membership. Ever since its organization it not only has stood for whatever was good and sound and conservative in banking affairs, but it also has enabled its members to profit by close personal contact and interchange of personal experiences as varied as the various sections of the country.

The usual meetings of the executive committees have been held and have been well attended with profit to the section and to the members of the committees. The chairman, Mr. Sartori, later will report in detail of the committee's doings.

During the past year, the section has seen a change in the personnel of its central office staff, as W. H. Kniffin, our former secretary, resigned some months ago to accept a position with the Onondaga County Savings Bank of Syracuse, N. Y. No better evidence of the efficiency of Mr. Kniffin's services can be asked for than his selection for such a responsible position as that which he now occupies. The section is under distinct obligation to him for all that he did to increase its usefulness and further its growth. We have been most fortunate in obtaining as his successor, E. G. McWilliam, for some years connected with the Irving Savings Bank of New York, and actively and successfully interested in the New York Chapter of the American Institute of Banking. He already has demonstrated that he will prove a worthy successor to the late Mr. Hanhart and Mr. Kniffin.

The activities of the various committees of the section will be reported by their chairmen.

In this connection I would earnestly commend the work of the standing law committee of the general association, on which we are

well represented. The committee, under the chairmanship of Mr. Jay, has made a most thorough and exhaustive inquiry into the matter of the segregation of savings deposits and I would commend to you a careful consideration of their report. The fact that the matter is not to be pressed to a definite conclusion is no evidence of lack of general interest. It is but natural that such a serious change for banks, that are not at present under the jurisdiction of a segregation law, should meet with serious opposition, but we believe that this campaign of education will in the end prove effective. The rapidly growing feeling of moral and social responsibility that is so much in evidence in our political and economic life, must of necessity work in favor of this cause and will bring home to the bankers of the



ALFRED L. AIKEN
Worcester, Massachusetts
President Savings Bank Section

country a growing feeling of peculiar responsibility as to the custody of the savings of the thrifty wage-earners who, in these extravagant times, have had the moral strength to save something from their earnings. They are obviously entitled, both because of their worthy endeavor and because of their lack of experience in such matters, to peculiar consideration.

I would also call your attention to the campaign of education in matters pertaining to the encouragement of thrift which the association is carrying on under the supervision of the committee on methods and systems, and the committee on school savings banks. Such a campaign should be of far-reaching influence and should do much to encourage the practices for which we all stand.

It is unfortunate that political conditions have been such the past year as to make it

impossible to achieve anything in the way of currency legislation. The campaign for such improvement has, however, but just begun, and I would bespeak most earnest co-operation from all the members of this section to the end that our banking system may be brought to a condition that will meet the demands of present business and economic needs. This question is broader than one of sections, and broader than one simply of banking, and it behooves us, one and all as good citizens, to put our shoulders to the wheel to do what we can to see that satisfactory banking and currency legislation is enacted at the earliest possible date.

It is but fitting in ending my term of service as president of the section that I should express my deep appreciation of the uniform courtesy and help extended to me, not only by the members of the various committees and the executive committee, but by the members of the section as well.

Report of Committee on Methods and Systems

V. A. Lersner, assistant cashier Williamsburg Savings Bank, Brooklyn, N. Y., as chairman, reported for the committee on methods and systems. Three matters have occupied the attention of the committee during the past year; namely, the savings bank centennial in 1916, the mechanical methods employed by savings banks of different size in handling their everyday transactions, and the campaign of education which was referred to the committee by the executive committee of the section at Briarcliff last May.

It is believed that active work in regard to the centennial should be deferred until 1914, but that this important subject should be continually referred to some committee who will keep it before the members. The various methods adopted by certain banks in handling savings deposits and withdrawals were gone into in detail.

Preliminary steps have been taken toward instituting a campaign for education in savings banking and thrift among the people throughout the United States. It is believed that the economic conditions of the country cannot be appreciably improved until the general thrift is far greater and the acknowledged extravagance of the people is curtailed. As a starter letters were sent out to members of the section requesting their views on the subject and inviting any suggestions which they might have to offer. About half of the letters received in reply, while commending the movement, did not contain any suggestions; the others detailed numerous ways in which this work might be accomplished. The hope was expressed that this work might be pushed forward by the committee to be appointed for the ensuing year. It was recommended that the committee be authorized to perfect a working organization in every state in the Union by appointing, or through state associations securing the appointment of, a committee in each state for the purpose of devising ways and means of prosecuting the work in a manner best adapted to the respective localities.

Address of John J. Pulleyn

No more important element in the economic life of the country exists than the resourcefulness, individual independence and character represented by the four and one-quarter billions of dollars on deposit in the savings institutions of these United States. This is true both in their bearing on the character and



Grand Rapids National City Bank

GRAND RAPIDS, MICHIGAN

Capital - - \$1,000,000
Surplus and Profits 445,000

City Trust & Savings Bank

Capital - - \$200,000.00
Surplus and Profits 63,000.00

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Fourth National Bank ATLANTA

Capital - \$600,000.00
Surplus - 875,000.00

The Leading Trust Company of Indiana

The Union Trust Company

INDIANAPOLIS, INDIANA

Capital - \$600,000
Surplus and Profits, 700,000

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worth of the depositor as an American citizen and on the nature of the service performed by these savings in the hands of those who are entrusted with the conduct of these banks of the people. And if the men charged with the welfare of these institutions do not become awake to changing conditions, these institutions may lose much of these funds, now absolutely free from the combination of capital interests and serving the depositor solely. The loss in that contingency would be primarily a community loss.

To define this contingency and to point out the needs of the situation become a duty to one who can speak on savings banks. The desirability of applying the laws of New York to other states, the question as to the rate of dividend to be paid, the amount of surplus required as absolutely essential, the need of co-operation of mutual and stock banks and the necessity of watching banking legislation of all kinds are among the factors in a discussion of the problem now before savings bank officials. Do they realize for what the great system under their control stands? Are they mindful of the public's interest when they state that 3 or 3½ per cent is all the people should receive as interest on their deposits? Should



E. C. SCOTT
Macon, Georgia
Cashier American National of Macon



JAMES G. CANNON
President Fourth National, New York
Member Executive Council

A comprehensive view of the situation demands an orderly statement of the origin and development of the problem. First, in order, is needed a short statement of the beginnings and purposes of savings institutions, together with their influence in inculcating thrift, as becomes the banks of the people. The evolution of these institutions to their present day status and their four and one-quarter billions of dollars on deposit come next, together with a brief classification showing how these deposits are largely concentrated in the states with the most careful laws and particularly in New York and Massachusetts. The duty of safeguarding deposits, the nature and conditions of the rate of dividend or interest paid upon deposits and the creation of surplus as a margin of safety need to be treated in turn, after which comes the high desirability of progressive management, facing frankly such questions as the advisability of branch banks and the function of postal savings. The benefits to the neighborhood and to the country in the investment of savings funds in local improvement liens and in public securities must be enumerated and discussed with reference to what would be the economic meaning of a transfer of these funds to the melting pots of the financial centers of the country, because savings bank officials were not alert to their public duty in its broader terms affecting the sound development of the national wealth and welfare. Foreign investment methods which might be imitated in the United States to the detriment of savings bank deposits require analysis, as does the delicate question of how far trustees of savings institutions are awake to the possible perils of new tendencies, perhaps inimical to the banks in their care. A

few carefully framed queries to trustees, leaving the answers to be made by themselves, ought to suffice. Then the relation of conservative laws to strong savings institutions should be exhibited in the light of the remarkable illustration afforded by New York State. These points discussed in this order will give the problem and the remedy.

Savings banks or institutions for savings are of comparatively modern origin, both in Europe and America. They had their beginnings in efforts to better the conditions of the poor. In large part their purposes were in the nature of a charity, and the consequence is that they have come to be considered philanthropic or eleemosynary institutions.

The first savings bank of which we know in authentic manner was established in England in 1804. The first to be chartered in America was started in Philadelphia in 1816, the second in Boston in 1817, and the third in New York in 1819.

Regardless of the primary purposes of the founders, these institutions have in their results outgrown their early character. To-day they take their proud place in the front rank of the monetary powers of the country. In this development they have retained the provi-



EDWIN H. FURROW
Cedar Rapids, Iowa
Cashier Merchants National

dent and beneficent features characteristic of their first years, so that to-day in them may be found the savings of the humblest toiler with his hard earned, carefully saved pennies, as well as the funds of the frugal man who resists temptation to indulgences that he may put safely away the means which would have given him improvident luxury.

In a spirit of justice, therefore, to the millions of depositors savings banks should be regarded no longer as charitable institutions, but as banks of the people. Depositors in these institutions are not objects of charity, but the bone and sinew of our people, whose accumulations we point to with pride as evidences of our national growth and prosperity. They are producers of wealth through labor effectively applied. They consume what they require. Their surplus is laid aside as an accumulating fund for future investment. Thus are the savings banks proud monuments, deserving well of the fostering care of the state.

Four and one-quarter billions of dollars are on deposit among the savings banks of the United States, and this vast sum represents the fruits of toil, the evidence of power, industry, thrift and independence.

Like most enterprises having their start in



Send for our Circular of

Municipal, Railroad and Corporation Bonds

SUITABLE FOR
**BANKS,
TRUST FUNDS
AND
PRIVATE INVESTORS**

NETTING FROM

4 $\frac{1}{4}$ % to 6%

ESTABLISHED 1871

SPITZER, RORICK & CO.

BANKERS

THE ROOKERY, CHICAGO

ALBERT J. HUNTER, Manager

NEW YORK

TOLEDO

Oldest Municipal Bond House West of New York



GRAND RAPIDS, MICHIGAN

**Capital, Surplus and Undivided Profits
\$1,515,000**

Resources, \$9,000,000

WILLARD BARNHART	-	-	-	-	President
CLAY H. HOLLISTER	-	-	-	-	Vice-President
WILLIAM JUDSON	-	-	-	-	Vice-President
GEORGE F. MACKENZIE	-	-	-	-	Cashier
H. A. WOODRUFF	-	-	-	-	Assistant Cashier

Collections handled on a balance or remittance basis

1857

1912



CHICAGO

Statement of Condition at Commencement of Business, September 5, 1912

RESOURCES

Loans and Discounts.....		\$33,013,791.67
Bonds and Mortgages.....		10,527,540.13
Due from Banks and Bankers	\$15,603,315.16	
Cash and Checks for Clearing House.....	9,678,030.43	25,281,345.59
		\$68,822,677.39

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund	6,000,000.00
Undivided Profits	649,802.44
Reserved for Accrued Interest and Taxes	115,163.91
Deposits.....	59,057,711.04
	\$68,822,677.39

DEPARTMENTS

Commercial, Savings, Trust, Bond, Farm Loan, Foreign Exchange

DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President Inter-
national Harvester Company
SEYMOUR MORRIS, Trustee L. Z. Leiter
Estate
JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
of Directors Joseph T. Ryerson & Son
JOHN G. SHEDD, President Marshall
Field & Company
ORSON SMITH, President
ALBERT A. SPRAGUE, II., Vice-President
Sprague, Warner & Company
MOSES J. WENTWORTH, Capitalist

OFFICERS

ORSON SMITH, President
EDMUND D. HULBERT, Vice-President
FRANK G. NELSON, Vice-President
JOHN E. BLUNT, Jr., Vice-President
J. G. ORCHARD, Cashier

P. C. PETERSON, Assistant Cashier
C. E. ESTES, Assistant Cashier
LEON L. LOEHR, Secretary and Trust Officer
F. W. THOMPSON, Mgr. Farm Loan Dept.
H. G. P. DEANS, Mgr. Foreign Dept.



\$30⁰⁰

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Return Limit 30 days

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Tell us in a general way what you require, the number in your party, and the amount of money you want to spend, and we will propose one or two trips for your consideration, with complete information, and send you a descriptive folder. Address Travel Bureau, New York Central Lines, 125 La Salle St. Station, Chicago.

Chicago Ticket Offices
228 South Clark Street and Central Station. Phone Wabash 4200.




the natural economic order, savings banks have far outgrown in significance, usefulness and power the comparatively narrow scope and purpose of their original intent. They have become an important factor in our political economy. Having no special rights nor privileges, they effect no combinations of capital and they have their existence only in their original capacity. They become public benefactors. Yet they acquire no favors and have no monopoly of savings business. Their depositor is a better citizen, neighbor and friend because of the restraint imposed upon him by the possession of property. His savings are not merely deposited. They are invested in his behalf in the bonds of the United States, in the bonds of his own state or town or county or municipality, in the bonds of well-conducted railroads, or in mortgage loans on real estate in his own city.

Is any local improvement projected? The savings bank is often the capitalist who advances the necessary funds. How many public or corporate enterprises have been carried to successful completion through the agency of savings we may never know, but the character and kind of securities in which the moneys of savings banks are invested will be a suggestive indication of the power of these institutions in promoting public improvements and in aiding in the discharge of public obligation. The mechanic and the artisan have at the beginnings of their labor possessed the ambition to succeed in life and they have contributed out of their weekly wage a sum, no matter how small, to establish a fund which some day would mean a capital large enough to enable them to branch out into business for themselves. Most of the savings banks number among their depositors men who began in this way, who are successful largely to-day and who as a matter of sentiment retain a sum of money on deposit with the bank where they made their start.

Statistics show that 80 per cent of all the deposits are in the Eastern banks and 20 per cent scattered over a vast territory, thus demonstrating that adequate facilities are not provided for a large proportion of our people. In the State of New York with its most carefully guarded savings bank law 40 per cent of the savings of the people of the United States is deposited. This important fact is due to the confidence inspired by a good law faithfully executed. The significance of this fact is accentuated by the realization that about one-fifth of the wealth of the Union and not quite one-twelfth of the voting population are in New York State.

Under the stringent provisions of the New York law and the extensive savings facilities accorded, we have an illustration of the best thus far provided for the safety of the accumulations of the people and because of such features of safety and convenience the savings banks of the state are liberally patronized by the masses.

Massachusetts ranks next to New York in excellence of statutory provisions relating to savings institutions, and as result of the confidence thereby inspired, such banks in that state hold one-fifth of the aggregate of all the savings deposits in the banks of the United States.

The people of New York and Massachusetts have on deposit in savings banks something more than 60 per cent of all the savings deposits in all the country.

The New England states generally have very carefully guarded statutes with reference to savings banks, because institutions of this kind there, and likewise in New York, are organized on what is known in common parlance as "the old style,"—that is, institutions organized under the law without capital, pure-

ly mutual and managed by trustees who serve without compensation. According to the intent of the law in these states, depositors should receive all the earnings less necessary expenses of administration.

In the eastern section of the United States almost every other person has a savings account. In the Middle West and far western states probably one in 500 of the population has a savings bank book.

In these outside sections we find savings banks organized as stock companies, where the interest of the depositor is equal to that of a stockholder and where the depositor secures a fair rate of dividend.

Outside of New England, New York, and a few other states we find statutory safeguards less carefully thrown about the depositor or laws not sufficiently strong to protect this great trust. Undoubtedly in other locations savings banks are as conservatively managed and conducted on as sound and safe a basis as in New York or New England.

Outside the sections discussed and in sparsely settled regions private capital cannot be expected to establish and maintain savings institutions for the mere purpose of encouraging habits of thrift among the community. Capital seeking investment in any profit-yielding venture does not as a rule adopt benevolence as a primary motive.

Since it is conceded that savings facilities, coupled with confidence in the banks, will encourage thrift, keep money in circulation, insure more home comforts and develop better class citizenship, the question naturally arises as to why an effort should be made to extend the beneficent influence of sound savings institutions to the large percentage of our population which does not now enjoy the advantages common to those residing in or near the great centers of population.

The duty of the state or federal government is to provide safeguards for the protection of

the depositors of chartered savings banks and postal savings to the full amount of their claims. Every dollar deposited, together with what that dollar earns, must be held as a sacred trust, and no laxity in this or in the administration of the law can suffer it to become a loss.

The increase and development of this great business should be guarded by wise enactments and by rigid and careful supervision. The great body and mass of patrons of these banks are poor, and their deposits are the sole accumulation they could make during years of toil and privation. There are exceptional cases here and there of persons of ample means who are depositors but the number of such accounts is comparatively low. In a number of institutions, in the amount of pecuniary interest involved, in the character and ability of those interested and in point of honest and capable administration savings banks are on a par with every other moneyed institution or interest in the state or country. Their claim to wise, considerate and conservative legislation embracing rigid and thorough censorship of their affairs must not be denied.

If the conduct of the affairs of savings banks were not marked by prudence and strict integrity they could not have commanded the generous confidence of the people or grown to their present proportions, making them relatively one of the largest monetary groups in the United States.

Whatever faults are found in the management of savings banks, outside the human element, are due to the exercise of powers conferred by inconsiderate legislation. The great good which these institutions are doing in behalf of great public interests—federal, state, municipal and local—should not be impaired now or in the future, nor should the confidence of the public be impaired or undermined. If there could be shown to exist errors in management or direction, or if the safety of the banks were jeopardized by too liberal a distribution of profits the safest and most expedient method of correcting such defective condition would be through the intervention of the state executive, acting through his commissioner of banks, armed with the proper authority and charged with the obligation to correct the errors at once.

The theory of every savings bank is that so long as it is solvent all the depositors will not want their money at the same time, and that a large portion of the deposits will be required to be kept permanently invested to meet the running expenses and interest to depositors.

Thus the greater the freedom from petty restrictions upon the judgment of officers and the trustees of these institutions the more beneficent the results, so long as the fundamental laws of the state adequately safeguard solvency and provide for sufficient supervision of the comparatively unrestrained judgment of the men entrusted with the conduct of the banks.

Legislation limiting the amount of dividends would result in injustice to depositors and is entirely against the spirit of the law creating mutual savings institutions. But compulsory law as to the amount of surplus each bank should maintain would be entirely consistent with public policy.

The problem of dividends and surplus is engaging the best thought in New York state and a solution of the problem may be found in a compulsory regulation of the surplus required of each individual institution. The active competition for savings accounts by national and state banks and trust companies has placed the savings institutions at a disadvantage, since to hold their deposits a rate of dividend on a par with the other monetary institutions is needed.

Notwithstanding legislation prohibiting

FIRST NATIONAL BANK OF SAN DIEGO, CAL.

First National Bank of San Diego, Cal., is the oldest bank in that city. Capital, surplus and profits amount to \$409,998.89, and deposits to \$3,070,592.60. D. F. Garrettson is president; F. W. Jackson, vice-president, and F. J. Belcher, Jr., cashier. The bank enjoys a prominent place among the strong western institutions, and has a good reputation for stability and conservative management.



F. J. BELCHER, JR.
Cashier First National, San Diego, California

STATEMENT OF CONDITION

THE MERCHANTS NATIONAL BANK

CEDAR RAPIDS, IOWA

September 4, 1912

UNITED STATES DEPOSITARY

RESOURCES		LIABILITIES	
Loans and Discounts	\$3,747,780.88	Capital Stock	\$200,000.00
Overdrafts	103.86	Surplus	200,000.00
United States Bonds and other Bonds	382,957.50	Undivided Profits, Net	19,918.49
Premium on Bonds	None	Reserved for Taxes, Unearned	
Real Estate, Furniture and Fixtures	None	Discount, Etc.	40,000.00
Cash on Hand, Due from Banks and		Circulation	185,000.00
U. S. Treasurer	2,609,490.50	Deposits	6,095,414.25
	\$6,740,332.74		\$6,740,332.74

DIRECT CONNECTIONS WITH ALL IMPORTANT IOWA TOWNS

other than savings banks from advertising as savings institutions, an evasion of the law gives these banks the opportunity of obtaining savings accounts under the title of special interest accounts and interest departments. Unless New York state should insist on legislation compelling savings institutions by statute to maintain a 10 per cent surplus regardless of the judgment of the trustees, the result cannot be foreseen. But the mutual savings bank would be finally forced out of business, and the stock savings bank become the bank of the future, unless the trustees of the mutual banks should then come to a realization that a standard surplus of 10 per cent must be maintained. The intent of the law regarding mutual banks is that depositors shall receive all the earnings less the necessary expenses of administration, but it lacks force as a compelling influence in building up and maintaining surplus.

The problem in regard to surplus was much accentuated by the prosperous times following the close of the war with Spain, when savings banks deposits within four years increased about 11½ per cent. At the same time an eco-

nomie tendency toward higher rates of interest the world over set in, thus bringing about a fall in the market value of outstanding investment securities. While this decline bore no relation to the intrinsic merit of the bond, this fall was accompanied by an additional increase in savings bank deposits. Inasmuch as these banks are not allowed to retain their funds in idleness awaiting the favorable market, the statutory requirements to invest at once compelled the purchase of bonds in a constantly falling market. On the first of July last year deposits had increased to such a point that by further reason of the fall in bond prices the margin of safety had declined from 186-10 per cent to 716-100 per cent of the liabilities in a period of eighteen years. In 1909 and again in 1910 Superintendent Cheney of the New York state banking department commented upon the growing unsoundness of the situation and the need for very serious consideration of remedial plans.

The margin of safety for deposits is of more importance than the rate of dividend and that which tends to preserve and still further strengthen the security of deposits is of more

primary value to the genuine savings bank depositor than the income. The average savings bank account in New York state last January was \$530.60 and the difference between 3½ and 4 per cent on that amount is only \$2.65 a year.

The management of savings banks has not yet reached the highest state of efficiency, neither have savings banks throughout the United States yet realized the highest possibilities of these institutions.

Administration should be progressive. To that end a system under more uniform laws should be established and a more sympathetic feeling fostered in all the states, so that the best features of the laws and the practical rules of management might be made the common property of all. Progress then would be steady and wholly beneficial.

Each state should organize its system under the standard of New York experience. The individual banks should form groups, just as national and state banks are doing at the present day. After the formation of state associations and a national body the individual bank would remain the unit.

To start a savings bank, establish it in public confidence and build up its business to the point where its deposits make an impressive total, demand, besides a favorable field of operation, strict economy and careful attention and the exercise of wise judgment on the part of its management.

Branch banks were first considered in New York state about 1904, and the banking department then considered it feasible to establish branches in the counties throughout the state where no savings bank existed as a benefit to the community. Sparsely settled sections are not attractive fields for new endeavors and profits would not warrant operation. The strength of savings institutions may be impaired by the additional liability incurred by establishing branches. The cost of obtaining business and maintaining branches might not compensate either the mutual or the stock bank, and, further, the confidence of a sound, going concern may be jeopardized by this additional liability. It would be better to extend the facilities in all states for the convenience of the people and attract deposits before branching out in thinly peopled districts. Let the first consideration be the security of the savings. The less the expense of office maintenance the smaller the necessary initial drain upon the earnings of the deposits.

The individual savings bank, which pos-

IT IS UNCLE SAM'S STANDARD

Brown's Linen Ledger Paper

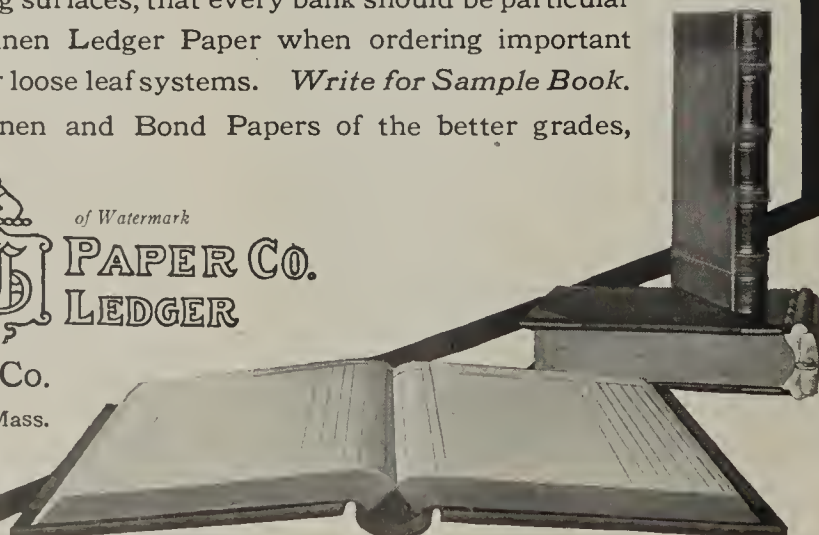
There are so many inferior ledger papers on the market which turn yellow and weak from age; which become worn from handling; and which possess poor writing and erasing surfaces, that every bank should be particular to specify Brown's Linen Ledger Paper when ordering important record books, ledgers or loose leaf systems. *Write for Sample Book.* We also make All Linen and Bond Papers of the better grades,

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L.L. BROWN PAPER CO.
LINEN LEDGER

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Adams,—Berkshire Co.—Mass.

Established 1850





W. M. G. EDENS
Chicago
Assistant Secretary Central Trust Co. of Illinois
Member A. B. A. Executive Council

sesses a long record of vigilance, good judgment in handling investments and economy of management should not be curbed in dividend rates or hampered in its admirable and loyal service to its depositors, because some other savings banks have not done so well and are not in so good a condition. The rate of interest should be based upon the net earnings of any six months' period, after deducting a reasonable sum to maintain a 10 per cent surplus, and the net profits distributed to depositors. The maximum interest rate of 5 per cent named in the New York state law is as much of a barrier as should be erected. It can hardly be contended that for a relatively weak bank to have to lower its interest rate below that of its stronger competitor injures the smaller bank. The bank is not injured. Depositors who withdraw are paid in full, so that they are not injured. There is that much less liability for the bank.

The growth and prosperity of the postal savings bank is a sure indication that part of these vast deposits will some day find their way into the state savings bank. The postal savings offices thus will become feeders to the previously existing institutions. The depositor who hoards and hides his savings, because of lack of knowledge of the savings bank system, gradually will become educated to the fact that this money can command a higher earning rate than that paid by the government postals. Whatever opposition existed to the establishment of these postals by banking institutions generally arose from a misunderstanding of their purposes

or from purely selfish motives. This opposition is now practically eliminated. No other agency could restore to the channels of trade the great hoard of money known to be in hiding. Many of the foreigners are ignorant of our language and institutions, and have no knowledge of the standing and responsibility of our banking system, and they will not deposit in our national or state banks. This class is timid and has faith only in government institutions and they must have a government depository. The absolute guarantee of safety furnished by the United States government has made a strong appeal to thousands who never had made use of the state savings banks. None of the postal savings bank deposits has been gained at the expense of the regular savings banks. The margin of safety between assets and liabilities to attract these postal depositors to the savings bank always must be evidently sufficient to assure the depositor that his account can be liquidated at any time beyond any doubt.

In France the average savings bank account figures hardly \$75, but the Frenchman buys a government security, in small denomination, where the foreigner here opens a savings account, provided he has overcome his timidity as to any but government institutions. In the absence of ability to put his savings directly into the gilt-edged securities of the country, his course of action likely is to prove that the postal savings not only will increase thrift where it is most needed but will in turn prove to be a feeder to the savings banks.

The tendency to thrift as exhibited by savings bank deposits among the working classes is far more marked in the United States than in Germany, Great Britain, Austria-Hungary or France. For instance, in the United States in 1908 there were about \$3,660,000,000 on deposit in savings banks and the average deposit was \$420. In 1905 Germany had about \$3,016,000,000 of savings deposits and an average deposit of \$168. In Austria-Hungary in 1906



J. H. PUEHLICHER
Milwaukee, Wisconsin
Cashier Marshall and Ilsley Bank
Member American Institute of Banking Committee

there were deposits of \$1,086,000,000 and an average of \$191, in the United Kingdom in 1907 deposits of \$1,020,000,000 and an average of \$82, and in France \$921,000,000 of deposits averaging \$74 per individual account.

Do the trustees of savings banks realize the obligations imposed upon them?

Have they a general knowledge of the extent of the New York standard investment law of 1906 with its automatic workings?

Do they fulfill their whole duty when they declare 3 to 3½ per cent interest is sufficient for the depositor to receive on the funds which he voluntarily brings to the bank?

Banking by mail is one outcome of conveniences which custom

and time have found necessary. It began by a depositor moving away from the city in which he deposited. In his new locality he lacked banking facilities and bethought himself of his New York bank where his account was formerly kept. This out-of-town mail business has grown among the larger class of institutions. The cost of doing this business is practically nil at present.

There is also a desirable tendency in some large corporations to give their employees a savings bank book containing a credit of his share of the profits of the corporation.

The enactment of a general law in each of the several states of the Union for the conformity of savings bank charters to one statute, for uniformity in investments, for periodical examinations and semiannual reports is needed. The New York law is admirably



SPOKANE is the capital—the financial and commercial center of an Inland Empire, comprising one hundred and fifty thousand square miles, parts of four great states and British Columbia—an area three times as large as the State of Alabama. THE OLD NATIONAL BANK, during its twenty years of existence has kept in touch with this developing country, and now has a direct connection with practically every point in the territory composed of Eastern Washington, Northern Idaho, Northeastern Oregon, Western Montana and British Columbia. A demonstration of the efficiency of this service will be gladly given.

The Old National Bank OF SPOKANE

Resources Ten Million Dollars

OFFICERS

D. W. TWOHY, President	W. D. VINCENT, Cashier
T. J. HUMBIRD, Vice-President	J. A. YEOMANS, Assistant Cashier
W. J. KOMMERS, Assistant Cashier	W. J. SMITHSON, Assistant Cashier

DIRECTORS

Levi Ankeny	Jay P. Graves	John Twohy
F. A. Blackwell	P. Welch	W. J. C. Wakefield
J. D. Farrell	John D. Porter	Thos. F. Wren
R. B. Porter	August Paulsen	Fred B. Grinnell
T. J. Humbird	W. D. Vincent	J. P. McGoldrick
	D. W. Twohy	

The American National Bank of Macon

MACON - - - GEORGIA

UNITED STATES DEPOSITARY

Capital - \$500,000.00
Surplus and Profits \$500,000.00
Resources over Four Millions

OFFICERS

R. J. TAYLOR, President
W. M. JOHNSTON, Vice-President
L. P. HILLYER, Vice-President
E. C. SCOTT, Cashier
W. E. BOZEMAN, Assistant Cashier

☐ The American National is regarded as one of the strongest in the South and has special facilities for making prompt collections. Does a general banking business and solicits accounts of banks and bankers

NORTHERN NATIONAL BANK

Duluth, Minnesota



Capital - - \$250,000.00

Surplus - - 60,000.00

Your Duluth Business

will be given the best of attention
if sent to THIS BANK. Try it!

Occupying Main Floor

NEW ALWORTH BUILDING

Tallest Modern Fire-Proof Building in Minnesota

“Look Up—You Can’t Miss It”

Hamilton National Bank

CHATTANOOGA - - - TENNESSEE

UNITED STATES DEPOSITARY

Capital \$1,000,000.00
Surplus 500,000.00
Resources 6,500,000.00

OFFICERS

T. R. PRESTON, President
H. T. OLMSTED, Vice-President
G. H. MILLER, Vice-President
C. M. PRESTON, Cashier
D. S. HENDERSON, Asst. Cash.
S. A. STRAUSS, Asst. Cash.

This bank makes a specialty of prompt collections and remittances and covers effectively eighty per cent of the points in Tennessee

First National Bank

SAN DIEGO - - - CALIFORNIA

UNITED STATES DEPOSITARY

Capital, Surplus and Profits, \$409,998.89
Deposits - - - 3,070,592.60

OFFICERS

D. F. GARRETTSON, President
F. W. JACKSON, Vice-President
F. J. BELCHER, Jr., Cashier
R. H. GUNNIS, Asst. Cashier

The First National is the oldest bank in San Diego, has a list of strong correspondents and is equipped to care for all legitimate banking demands by banks, bankers and business interests

First National Bank

MASON CITY, IOWA

Capital - \$ 250,000.00
Surplus - 250,000.00
Resources - 3,380,000.00

OFFICERS

C. H. McNIDER, President
F. E. KEELER, Vice-President
W. G. C. BAGLEY, Cashier
C. A. PARKER, Assistant Cashier
R. P. SMITH, Assistant Cashier

Customers and correspondents are assured of every courtesy and accomodation consistent with conservative methods. Your account solicited.

Bank of Commerce

LITTLE ROCK - - - ARKANSAS

Capital - - \$100,000.00
Undivided Profits 230,997.06

Thoroughly equipped collection department under the direct supervision of an officer of the bank.

SEND US YOUR ITEMS

We will either remit for them or advise you of reasons for non-payment on day of receipt.



R. C. STEPHENSON
South Bend, Indiana
Vice-president Savings Bank Section

desirable investments for the deposits of the thrifty should thereby hold a right beyond comparison with any other railroad corporation in its title to the confidence of the community.

Previous to this amendment to the New York state banking law in 1906, any syndicate or group of men could control a large block of railway bonds and then apply to the state to legalize the issue for investment of savings funds. The effect of the amendment was to standardize investments. The provisions of the law are automatic in their workings, in that the new general statute does away with the continually recurring need of going to the legislature in regard to specific securities.

There is a limit imposed on the proportion of its funds which a savings institution may place in railway bonds in New York. Not more than 25 per cent of the assets may be loaned or invested in railway bonds, nor more than 10 per cent in the bonds of a New York railway corporation or another railway corporation controlled and operated by a New York company, nor more than 5 per cent in the bonds of any other railway corporation.

Throughout the provisions of the banking law of the state of New York it has been borne in mind that savings banks exist there in order to encourage thrift and to inculcate the spirit of saving in the hearts of the working classes. That the resources of these institu-



JAMES E. HAMILTON
Cedar Rapids, Iowa
Vice-president Merchants National

tions continue to play their economic part in full measure is a public duty laid upon the men in charge of these institutions and dependent upon their ability to be alert to the changing money conditions of the country.

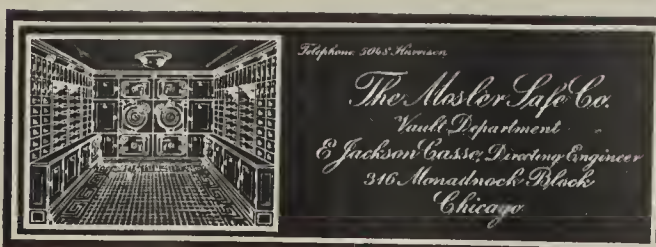
BANK OF COMMERCE, LITTLE ROCK, ARKANSAS

Bank of Commerce, Little Rock, Ark., expects to move into its new building about December 1st. This building will be one of the handsomest and most convenient banking homes in the South. The bank was organized in 1891. At the time that the present management took charge, January, 3, 1898, the deposits amounted to \$167,755.98.



BANK OF COMMERCE
Little Rock, Arkansas

with undivided profits of \$3,107.19. On January 2d of this year the deposits had climbed up to \$1,609,856.20, with undivided profits of \$214,733.33. The capital stock is \$100,000. Herman Kahn is president; L. B. Leigh, vice-president, and George W. Rogers, cashier. Mr. Rogers has been active in the affairs of the American Bankers Association for a number of years, being a member of its executive council.



INVESTMENT BANKERS ACQUIRE NEW OFFICES

The offices of the newly formed Investment Bankers Association will be located in the Harris Trust Building, Chicago. The quarters now are being fitted up, and it is expected that they will be ready for occupancy in about two weeks. President George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, has called a meeting of the board of governors to be held at the Union League Club September 20th, at which time the report of the membership committee will be received. It is expected that about 200 applications for membership will be passed upon at that time. The list of committee assignments probably will be announced. Investment bankers who fail to be admitted before October 1st will be required to pay \$100 initiation fees in addition to the annual dues.

BANKER LETSON AT DETROIT

Frank H. Letson, cashier of the Enid (Okla.) National Bank, was one of the interesting figures at the Detroit convention this week. Mr. Letson started the bank in 1893 in a tent, when the town was nothing but a struggling prairie village surrounded by waste spaces. His capital was \$5,000. To-day the bank has a handsome building with a capital of \$100,000 and a surplus of \$45,000. He said:

"The ranchmen and farmers used to ride up to the bank with their money in saddle-bags and deposit it in the tent bank. We had to take mighty careful precautions in those days to keep the bank from being robbed, but we built up a substantial home as soon as we could. So far as I know, this is the only bank in the country that had its beginning in a tent."

A charter has been issued to the Farmers Bank of Liberal, Mo., capitalized at \$10,000. Its incorporators are H. E. Fletcher, J. C. Pinkerton, James B. Smith, M. Darlington and H. R. Gilbert.

conservative. Its only disadvantage is the discretionary power given to individual institutions to name what amount shall be placed in a surplus account to guard against unforeseen contingencies. The wisdom and expediency of creating and maintaining a large surplus fund must appeal to all sensible conservative trustees who witnessed the depressing circumstances surrounding the panicky condition which existed at the close of 1907.

Whilst the New York state law does not insist upon a stated reserve in the shape of surplus it allows earnings to accumulate after the payment of dividends to depositors to the extent of 15 per cent of the total amount on deposit based upon the par value of securities. When surplus earnings exceed this percentage the excess must be paid to depositors in the shape of an extra dividend.

In New York the policy of the state is one of rigid control and inspection, semiannual detailed reports, yearly examinations by the banking department, limitations of investments, no capital, no stock, and, above all, a thorough provision for the absolute security and safety of funds on deposit.

Sharply in contrast stand the laws in many states, where legislation as regards savings institutions rests upon the assumption that they are business undertakings for profit to stockholders and gives them a latitude of management common to banking as a business and a freedom to employ funds in profitable channels, such as are sought by commercial banks of discount. About one half of the states of the union, as a matter of fact, have no savings bank laws whatever.

In 1906 the state of New York adopted a new standard law for the investment of the funds of a savings bank. This law works automatically. Its enactment marked a long step forward in the progress of the sort of legislative supervision best calculated to strengthen savings institutions, not by restrictions tending to reduce them to the position of suppliants for needed powers, but by granting to them, within the limits defined by the state as necessary, freedom to invest without the approval of special legislation. That this freedom of investment has been granted by way of the establishment of a standard by which conservative investors of trust funds may safely judge securities in the market ought to serve still another purpose. The railroad corporations whose financial showing entitles their securities to be considered safe and

North Memphis Savings Bank

MEMPHIS, TENNESSEE

Established 1904



Capital (Paid In), \$50,000.00
Surplus (Earned), 100,000.00
Deposits - 2,300,000.00

Comparative Statement of Deposits

June 30, 1904	-	-	-	-	\$201,197.86
June 30, 1905	-	-	-	-	402,455.27
June 30, 1906	-	-	-	-	564,984.09
June 29, 1907	-	-	-	-	774,265.88
June 30, 1908	-	-	-	-	959,338.47
June 30, 1909	-	-	-	-	1,269,720.81
June 30, 1910	-	-	-	-	1,624,718.73
June 30, 1911	-	-	-	-	2,128,689.05
June 29, 1912	-	-	-	-	\$2,367,857.03

OFFICERS

J. T. WALSH, President
 J. ROSE, Vice-President

M. G. BAILEY, Cashier
 HENRY CRAFT, Counsel

The City National Bank

COUNCIL BLUFFS

IOWA

Capital - \$120,000
Surplus and Profits 40,000
Resources - 1,000,000

OFFICERS

T. G. TURNER - President CHAS. R. HANNAN, Jr. - Cashier
 J. G. WADSWORTH, Vice-President R. D. M. TURNER - Asst. Cashier
 OSCAR KEELINE - Vice-President P. J. McBRIDE - Asst. Cashier

We make a specialty of collections in this territory.
 Our service is prompt, satisfactory and reasonable

State National Bank

LITTLE ROCK

ARKANSAS

Capital - \$500,000
Surplus and Profits 60,000
Resources - 3,000,000

COMPARATIVE GROWTH IN DEPOSITS

Deposits Sept. 4, 1910	\$1,094,804.90
Deposits Sept. 4, 1911	1,424,699.19
Deposits Sept. 4, 1912	1,715,604.13

W. H. GARANFLO, President

R. D. DUNCAN, Cashier

Eau Claire National Bank

EAU CLAIRE, WISCONSIN

Capital - \$150,000.00
Surplus and Profits 64,067.00
Resources - 2,354,138.62

OFFICERS

W. K. COFFIN, President
 C. W. LOCKWOOD, Vice-President
 E. J. LENMARK, Cashier

OTTO VON SCHRADER, Asst. Cashier
 J. A. PLAYTER, Asst. Cashier
 W. S. WOODRUFF, Asst. Cashier

Accounts of banks, firms and individuals invited
 Immediate attention given to collections

National Bank of La Crosse

LA CROSSE, WIS.

Capital - \$250,000
Surplus - 400,000
Deposits - 4,000,000

OFFICERS

GEO. W. BURTON - President F. H. HANKERSON - Cashier
 F. P. HIXON - Vice-President JOS. BOSCHERT - Asst. Cashier
 L. C. COLMAN - Vice-President R. C. WHELPLEY - Asst. Cashier

DIRECTORS

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Friday Session, A. B. A.

The second day's session of the A. B. A. proper was called to order by President Livingstone. After the invocation by the Rev. Frederick Deland Leete, D.D., LL.D., bishop Methodist Episcopal Church, Atlanta, Ga., the Hon. Charles A. Conant of New York City delivered a talk on land and agricultural credits, and was followed by Andrew M. Soule, president of the Georgia State College of Agricultural and Mechanical Arts, who talked on agricultural development and education. Joseph Chapman of Minneapolis reported for the committee on agricultural and financial development and education. In the afternoon reports were heard from the currency commission and from the federal legislative committee. Invitations were heard for the next convention and unfinished business disposed of. Communications were read from the executive council and the report from the committee on nominations received. After the installation of officers, adjournment was taken.

Address of Charles A. Conant

Charles A. Conant, author of "The Principles of Money" and "A History of Modern Banks of Issue," delivered an extremely interesting address on land and agricultural credit.

Mr. Conant believes that the world is facing a grave economic crisis. For centuries land was recognized as the chief and almost only source of production. During the wonderful nineteenth century the people seemed to lose sight of the important influence which the land and its product bear upon the welfare of the people. Economists now have awakened to the fact that population is increasing to the extent that cities now occupy the territory which once was farms, and that the demand for food products is more than overtaking the supply; that population is encroaching upon the farm lands and that even those lands still available for culture are lying fallow or are inadequately cultivated because the farmer lacks facilities for converting land values into negotiable credit.

Governor Herrick and the committee appointed by the American Bankers Association were complimented by the speaker because of their awakening to the fact that it is necessary to introduce into this country, so far as they are adaptable, the methods already employed in Europe for extending credit to the farmer. There are two methods in vogue over there, which are comparatively unknown in the United States; namely, the conversion of mortgage loans into a readily negotiable form by the issue of bonds and the system of loans to the farmer through mutual credit societies.

It is contended by some that land, the source of all production, is the best security which can be had for the issue of negotiable credit. The answer to this contention is that land is not quickly convertible. It therefore is dangerous for banks which bind themselves to meet their obligations on call, to loan money on land, for their redemption fund must consist of gold—not of land. A very old way of loaning money on land is to take a mortgage, but there are several objections to an ordinary mortgage. Europe has solved the problem of the ready transferability of mortgage loans and low rates of interest to the borrower by taking a leaf from the experience of the limited liability company in the issue of bonds and shares. In Europe the man who has money to lend upon mortgage is no longer

obliged to make personal examination of the property, nor to risk his capital upon a single investment in non-transferable form. He has only to buy a negotiable bond,—coupon or registered, according to his preference,—which he can sell as readily as the bond of the government and with even less risk of fluctuation in its price. He has behind the bond not merely the land, but the pledge of a stock company that they have examined the property upon which loans have been made, and that all such properties are held in the aggregate as assets against the outstanding bonds, and that the company has in addition an adequate capital to cover any unexpected shrink-

tive to the borrower by a system of amortization by means of which they are paid off, and by the long terms over which the amortization extends. Most of the loans made are for long periods, so that the amortization charge is only a small addition to the annual interest. The rate of interest charged varies from 4.30 per cent to around 6 per cent. While it may not be possible to float bonds in this country at a rate so low as to permit loans upon mortgage at 4.30 per cent, still if 5 or 5½ per cent is charged, the additions for the amortization of the principal will not be materially greater than in the case of the loans made by the Credit Foncier of France. Various safeguards are prescribed by the Foncier for protecting the lender of money on these bonds in the way of restrictions as to the amount of money which shall be loaned on certain classes of property, and the capital or reserve fund, which in France must be equal to at least one-twentieth of the value of the bonds outstanding; and in addition to this there is the property on which the mortgages are placed. The rate of interest to the borrower is rigidly limited by the French law to the actual rate at which the bonds are sold to the public, plus an allowance of six-tenths of one per cent for administration and the profits of the company. It probably would not be desirable to fix such stringent restrictions for an American bank, because they might in some cases interfere with the flotation of bonds or the making of loans at convenient fractions. But with government supervision and a limitation upon the dividends paid to shareholders, it ought to be possible to extend to the farmer credit at a much lower rate than he pays under the existing system of disposing of mortgages to individual investors.

It is necessary, if there is to be a great central institution for mortgage loans, holding a special charter from the federal government, that it should have the double advantage of the supervision of the state and the efficiency of management of the man in business. To this end it probably would be necessary that the selection of the head of the bank should have the sanction of the president of the United States, that government directors should sit on the board and that there should be visitation and inspection by representatives of the comptroller of the currency, or other officers of the government. There naturally should be many restrictions imposed upon the manner of doing business—limitation of the rate of interest for loans, minimum ratio of capital to obligations, equitable distribution of the loans by territory, limitation of profits and required additions to surplus. Mr. Conant believes that if such an institution were to be established in this country, one of the principal defects to be avoided is centralization, the principal fault of the Credit Foncier of France. A large percentage of the loans made in France are upon urban property rather than that situated in the rural districts. It is believed that the primary purpose of such an institution in America should be the aid of the farmer and not the dwellers in the city. What the farmer needs is dynamic rather than static money, a current account upon which he can draw for short periods and special needs. With the ordinary commercial account every dollar may be placed on the active line of engagement, and the dollar not so engaged may be immediately returned to the bank and ceases to pay interest for the time it is not wanted, while a



HON. CHARLES A. CONANT
New York City

age in the value of the property behind its bonds.

The development of agricultural credit abroad has proceeded along several different lines. These may be defined roughly as the system of issuing mortgage bonds for long terms, as is done by the Credit Foncier of France and similar institutions in Austria-Hungary, Prussia, Italy and other countries; the system of agricultural credit through grants of public money, under the methods provided for in the renewal of the charter of the Bank of France in 1897; and the system of mutual credit organizations among agriculturalists. Mr. Conant described in detail the methods employed by the Credit Foncier of France in extending credit to the farmers. These bonds are made attrac-



STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, SEPTEMBER 4, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$8,397,672.31	Capital Stock	\$1,250,000.00
Overdrafts	54.79	Surplus	400,000.00
United States Bonds	100,000.00	Undivided Profits	154,939.82
Other Bonds	247,050.00	Discounts Collected but not	
Real Estate	15,000.00	Earned	96,346.44
Cash and Due from Banks	6,892,665.25	Reserved for Taxes	17,600.00
		Circulation	98,720.00
		Dividends Unpaid	1,855.00
		Deposits	13,632,981.09
	\$15,652,442.35		\$15,652,442.35

OFFICERS

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James H. Ashby G. A. Ryther
Samuel Cozzens J. A. Spoor
W. A. Heath Edward F. Swift

FOREMAN BROS. BANKING CO.

S. W. Corner La Salle and Washington Streets, CHICAGO

Statement of the Condition at the Commencement of Business
September 5, 1912

RESOURCES	
Loans and discounts	\$8,980,103.64
Overdrafts	7,944.42
Stocks and bonds	102,000.00
Cash on hand and in banks	3,476,853.59
Total	\$12,656,901.65
LIABILITIES	
Capital	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	41,178.04
Deposits	11,115,723.61
Total	\$12,656,901.65

EDWIN G. FOREMAN, President JAMES A. HEMINGWAY, Secretary
OSCAR G. FOREMAN, Vice-President HAROLD E. FOREMAN, Asst. Cashier
GEORGE N. NEISE, Vice-President ANDREW F. MOELLER, Asst. Cashier
JOHN TERBORGH, Cashier EDWIN G. NEISE, Asst. Secretary

Continental and Commercial National Bank OF CHICAGO

Statement of Condition at Close of Business, Wednesday, September 4, 1912

RESOURCES	
Time Loans	\$93,571,644.20
Demand Loans	24,948,661.41
Bonds, Securities, etc.	15,994,914.77
U. S. Bonds to Secure Circulation	8,703,062.50
Real Estate	4,758.80
Overdrafts	5,731.12
Cash and Due from Banks	82,518,434.77
	225,747,207.57
LIABILITIES	
Capital	\$ 21,500,000.00
Surplus Fund	8,000,000.00
Undivided Profits	1,107,949.70
Reserved for Taxes	189,638.76
Circulation	8,603,597.50
Deposits	\$ 81,393,849.23
Individuals	104,952,172.38
Banks	186,346,021.61
	225,747,207.57

GEORGE M. REYNOLDS, Pres.
RALPH VAN VECHTEN, V.-Pres.
ALEX. ROBERTSON, V.-Pres.
HERMAN WALDECK, V.-Pres.
JOHN C. CRAFT, V.-Pres.
JAMES R. CHAPMAN, V.-Pres.
WM. T. BRUCKNER, V.-Pres.
WM. G. SCHROEDER, V.-Pres.
NATHANIEL R. LOSCH, Cashier
HARVEY C. VERNON, Asst. Cash.
GEO. B. SMITH, Asst. Cash.
WILBER HATTERY, Asst. Cash.
EDWARD S. LACEY, Chairman of Advisory Committee

H. ERSKINE SMITH, Asst. Cash.
JOHN R. WASHBURN, Asst. Cash.
WILSON W. LAMPERT, Asst. Cash.
DAN NORMAN, Asst. Cash.
FRANK L. SHEPARD, Auditor

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E. H. GARY A. H. MULLIKEN F. E. WEYERHAEUSER
FRANCIS A. HARDY W. I. OSBORNE MILTON H. WILSON
H. F. PERKINS

Continental and Commercial Trust and Savings Bank CHICAGO

Statement of Condition at Commencement of Business, September 5, 1912

RESOURCES	
Time Loans (secured by collateral)	\$ 6,426,312.67
Demand Loans (secured by collateral)	\$7,714,830.09
Bonds and Securities	10,255,630.45
Due from Banks	3,246,015.79
Cash	1,994,089.52
Demand Resources	\$23,210,565.85
LIABILITIES	
Capital	\$3,000,000.00
Undivided Profits	1,542,324.58
Reserved for Taxes and Interest	143,030.64
Demand Deposits	\$14,067,251.76
Time Deposits	10,884,271.54
	\$29,636,878.52

GEORGE M. REYNOLDS, President GEO. B. CALDWELL, Vice-President FRANK H. JONES, Secretary
JOHN JAY ABBOTT, Vice-President CHAS. C. WILLSON, Cashier WM. P. KOPF, Asst. Secretary

OFFICERS

DIRECTORS

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JOHN C. BLACK ROBERT T. LINCOLN ALEX. ROBERTSON
CHARLES T. BOYNTON ROBERT H. McELWEE EDWARD P. RUSSELL
WILLIAM J. CHALMERS JOY MORTON CHARLES H. THORNE
BERNARD A. ECKHART W. IRVING OSBORNE RALPH VAN VECHTEN
ELBERT H. GARY EDWIN A. POTTER

Hibernian Banking Association CHICAGO

Statement of Condition Before the Commencement of Business, September 5, 1912

RESOURCES	
Time Loans	\$18,616,219.53
Real Estate	71,523.33
Bonds and Securities	\$ 7,253,621.27
Demand Loans	1,338,762.61
Cash and Exchange	2,913,794.41
	11,506,178.29
	\$30,193,921.15
LIABILITIES	
Capital	\$1,500,000.00
Surplus	600,000.00
Undivided Profits	939,807.35
Reserved for Taxes and Interest	136,285.39
Demand Deposits	\$ 4,380,061.27
Time Deposits	22,637,767.14
	27,017,828.41
	\$30,193,921.15

GEORGE M. REYNOLDS, President EVERETT R. McFADDEN, Asst. Sec.
DAVID R. LEWIS, Vice-Pres. LOUIS B. CLARKE, Vice-Pres. JOHN P. V. MURPHY, Asst. Cash.
HENRY B. CLARKE, Vice-Pres. and JOHN W. MacGEAGH, Cashier GEORGE ALLAN, Asst. Cashier
Manager Savings Dept. FREDERIC S. HEBARD, Sec'y

DIRECTORS

CHARLES C. ADSIT WILLIAM F. HAYS ROBERT H. McELWEE
J. OGDEN ARMOUR ADOLPH KURZ WILLIAM P. REED
JAMES H. BARNARD DAVID R. LEWIS GEORGE M. REYNOLDS
HENRY B. CLARKE CHAS. A. MAIR HEMSTED WASHBURN
LOUIS B. CLARKE

The capital stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the capital stock of the Hibernian Banking Association (\$1,500,000) is owned by the stockholders of the Continental and Commercial National Bank of Chicago.

Combined deposits of these banks, \$238,315,373.32

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, SEPTEMBER 5, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$20,655,359.06	Capital Stock	\$ 1,500,000.00
Overdrafts	5,312.54	Surplus (Earned)	2,000,000.00
Bonds	849,926.49	Undivided Profits	327,128.90
Cash and Due from Banks	7,612,771.10	Reserved for Interest and Taxes	81,000.00
		Dividends unpaid	225.00
		Deposits	25,215,015.29
	\$29,123,369.19		\$29,123,369.19

OFFICERS — L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS — DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; THO. FREEMAN, Retired Merchant; L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; A. LANQUIST, President Lanquist & Illsley Co.; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKCORDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

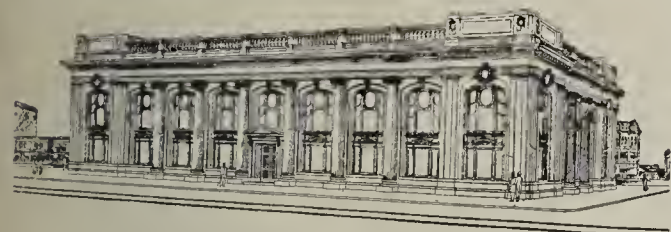
mortgage gives a fixed amount for a fixed period, and this is contrary to the commercial usage which permits the free engagement of every dollar in current business. It is this branch of agricultural credit which is the most highly developed in Germany, and which was the subject of considerable legislation in France, by means of which regional banks have been established, which group together the local banks of a given district. The state has placed at the disposal of the regional banks for the purpose of making advances to the local banks, two sums,—one fixed and the other annual,—derived from the resources of the Bank of France. The agricultural banks which are authorized to avail themselves of these sums may be composed of the whole or part of the members of one or more agricultural syndicates or mutual insurance societies. These societies are affiliated with the regional bank of their department. They are required to subscribe for a certain number of shares in the regional bank, and then are admitted to the credit facilities afforded by this bank, which discounts the bill of the local society or grants loans directly to the society to constitute its



R. D. DUNCAN
Cashier State National, Little Rock, Arkansas

SECOND WARD SAVINGS BANK, MILWAUKEE

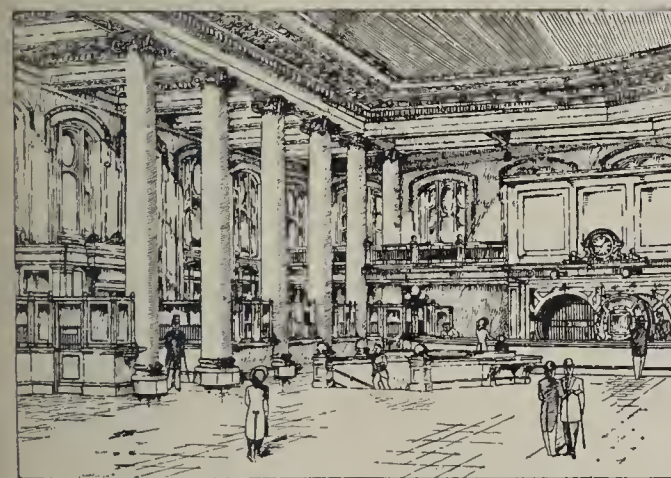
Second Ward Savings Bank of Milwaukee soon will move into its new quarters. There are two main entrances to the building, which are located practically at the centers of the east and west fronts, and open through vestibules



SECOND WARD SAVINGS BANK
Milwaukee, Wisconsin

into the main lobby. The facades are of gray limestone, all decorative details being hand carved. The construction of the building, as well as the interior finish, is of the best type. It is to be used only for banking purposes, and is one of the finest to be found in the Middle West.

The bank was founded November 1, 1855, with a capital of \$25,000, which has been increased from time to time until the institution



INTERIOR VIEW
Second Ward Savings Bank, Milwaukee, Wisconsin

now has a combined capital and surplus of \$1,400,000. As a consequence of the sudden death of August Uihlein in 1911, then president of the bank, and who had been closely identified with its affairs for a number of years, his son, Joseph E. Uihlein, was elected as his successor, still continuing in that capacity. The other officers are Chas. C. Schmidt, Henry Beilfeld and Albert C. Elser, vice-presidents; W. L. Cheney, cashier and Frank Brand, assistant cashier.

working capital. The interest rate of the regional bank usually is three per cent, to which one per cent, or a little less, is added by the local bank for the expenses of management and the formation of a reserve fund. Many regional banks allow only bills for three months, with the privilege of two, three or four renewals, according to the by-laws of the bank. At some banks loans are granted for as long as a year, but installments are required at shorter intervals.

Mr. Conant also told of the Raiffheisen banks in Germany. The principle on which these are established is that of the unlimited joint and several liability of the members; but as limited liability has been found to afford adequate protection, about 8 per cent of the German banks now are based upon limited liability rather than unlimited. The credit extended by these banks chiefly is personal rather than by way of mortgage security, the united guaranty of the members of a society being adequate protection to the lender for the repayment of the money borrowed. The working capital is derived from the shares which are paid up by the members, the reserve fund, savings deposits and deposits on current account, and finally the sums which the bank procures by means of loans to central co-operative banks, other types of banks or private individuals. The loans principally are made to members. Through central banks the farmer is given access to the general money market and is enabled to obtain funds for temporary purposes, without the formalities, expense and locking up of capital incident to mortgaging his land for long terms.

The speaker believes that the question of whether or not the various methods outlined would be adaptable to the United States is one which should not be decided hastily or dogmatically, and that any legislation looking toward the improvement of agricultural credit should be the result of close and expert study of all of the various ramifications of the subject. A central organization for the issue of mortgage bonds probably would be necessary in order to give the bonds a sufficient guaranty and a wide market. While not desiring to commit himself to any general plan, Mr. Conant believes that it would be advantageous to establish state organizations, charged with making local loans under rules laid down by the central organization, and that the latter should be able to issue its bonds under its own guaranty, secured to it by the deposit of mortgages or bonds guaranteed by the state associations. In other words, he believes that it

might be advisable to build up a co-operative democracy of state mortgage loan banks united into a powerful central organism, similar to that proposed in the plan of the Monetary Commission for strengthening commercial banking credit.

NORTH MEMPHIS SAVINGS BANK

North Memphis Savings Bank of Memphis, Tenn., enjoys the distinction of having surplus and undivided profits which bear a larger percentage to its capital stock than any other bank in the state of Tennessee. Its capital stock is \$50,000 and surplus and undivided profits \$100,000. Deposits are well over \$2,350,000. J. T. Walsh is president; J. Rose, vice-president; M. G. Bailey, cashier, and Henry Craft, counsel. The bank is located in spacious and attractive quarters, and the personnel of its board of directors includes some of the most prominent men in the South.



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"But I love the windows best. Such pretty pictures, such happy sights—and old Mississippi follows us most all the way.

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"On Time" Road.

6765

(OFFICIAL PUBLICATION)

Report of the Condition of

The Franklin Trust & Savings Bank

Located at Chicago, State of Illinois, before the commencement of business on the 5th day of Sept., 1912, as made to the Auditor of Public Accounts of the State of Illinois, pursuant to law.

RESOURCES

1. LOANS:		
Loans on real estate.....	\$ 69,050.00	
Loans on collateral security.....	153,294.31	
Other loans and discounts.....	389,055.10	\$611,399.41
2. OVERDRAFTS.....		35
3. INVESTMENTS:		
State, county and municipal bonds	5,000.00	
Other bonds and securities.....	121,800.00	126,800.00
4. MISCELLANEOUS:		
Accrued interest not collected.....		656.78
5. DUE FROM BANKS:		
State.....	153,023.78	
National.....	44,656.10	197,679.88
6. CASH ON HAND:		
Currency.....	20,073.00	
Gold coin.....	1,562.50	
Silver coin.....	2,153.90	
Minor coin.....	220.12	24,009.52
7. OTHER CASH RESOURCES:		
Checks and other cash items.....		1,751.54
TOTAL RESOURCES.....		\$962,297.48

LIABILITIES

1. CAPITAL STOCK PAID IN.....		\$200,000.00
2. SURPLUS FUND.....		50,000.00
3. UNDIVIDED PROFITS.....	\$ 9,065.75	
Less current interest, expenses and taxes paid.....	4,259.82	4,805.93
4. DEPOSITS:		
Time certificates.....	7,540.96	
Savings, subject to notice.....	48,133.81	
Demand subject to check.....	531,877.23	
Demand certificates.....	150.00	
Certified checks.....	250.00	
Cashier's checks.....	73,249.73	661,201.73
5. DUE TO BANKS, including certificates of deposit:		
State.....	14,892.83	
National.....	31,396.99	46,289.82
TOTAL LIABILITIES.....		\$962,297.48

I, Edgar F. Olson, Cashier of The Franklin Trust & Savings Bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.

EDGAR F. OLSON, Cashier.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK }

Subscribed and sworn to before me this 6th day of Sept., 1912.
[SEAL] ROBERT R. ENGELS, Notary Public.

Statement of Condition of the

National Produce Bank OF CHICAGO, ILLINOIS

At Close of Business, Sept. 4, 1912

RESOURCES

Loans and Discounts.....	\$1,355,496.27
United States Bonds.....	253,250.00
Other Bonds and Securities.....	400,088.36
Furniture and Fixtures.....	8,718.25
Due from U. S. Treasurer.....	12,500.00
Cash and Due from Banks.....	776,098.66
	\$2,806,151.54

LIABILITIES

Capital Stock.....	\$ 250,000.00
Surplus.....	50,000.00
Undivided Profits.....	53,074.62
Circulation.....	248,700.00
Reserve for Taxes.....	2,000.00
Deposits.....	2,202,376.92
	\$2,806,151.54

OFFICERS

EDWIN L. WAGNER, President RALPH N. BALLOU, Cashier
JOHN W. LOW, Vice-President H. B. AHRENSFELD, Asst. Cashier

DIRECTORS

Wm. Wrigley, Jr. Charles W. Higley Wm. P. Wagner
John W. Low W. C. Shurtleff S. M. Hastings
Walter McBroom E. H. Story Thos. C. Blayney
Sampson Rogers Edward R. Davis Edwin L. Wagner

Hathaway, Smith, Folds & Company Commercial Paper

137 South La Salle Street

Chicago

Correspondence Invited

Convention Notes

A striking coincidence at the convention was the accidental meeting of six past presidents of the association in the office of George H. Russel, president of the Peoples State Bank, on Monday afternoon. They were Logan C. Murray, president of the American National Bank, Louisville, Ky., president in 1886; Col. Robert J. Lowry, president of the Lowry National at Atlanta, president in 1896; Col. J. D. Powers, vice-president of the Third National, Louisville, president in 1907; Lewis E. Pierson, president of the Irving National, New York, president in 1909, and F. O. Watts, vice-president of the Third National at St. Louis. Mr. Russel was president of the A. B. A. in 1898 and completed the half-dozen ex-presidents. George M. Reynolds of Chicago, who also is an ex-president of the association, had called on Mr. Russel previously. Of the former presidents of the organization, only fourteen are living. Myron T. Herrick is in Paris as United States ambassador to France; one no longer is a banker and another has retired from business on account of age and infirmities.

Joseph Chapman said that our schools have been operated for the classes and not for the masses, which is an evil it is sought to correct.

"We find that of 19,500,000 school children in the United States only one and seven-tenths per cent get to college, and 93 per cent never get to the high schools," said Mr. Chapman. "Germany and France got after this condition years ago and what is the result? We ship raw materials to those countries, pay for having them manufactured and then bring them back here for sale. Why not manufacture them here? Why not have the boys and girls ready to tackle life as it is when they leave school?"

Mrs. Charles E. Batcheller, president of the First National Bank of Fingal, N. D., was an interested and enthusiastic attendant at the convention. Her husband is president of the First National at Hettinger, about 500 miles away. Mrs. Batcheller believes that every husband should tell his wife of the details of his business life. She believes that the safest investment for a woman who is not versed in financial matters is farm loans, as farm values do not fluctuate like city property. She and her husband have been attending the conventions of the A. B. A. for the past ten years.

The Hanover National of New York keeps a register in which appear the signatures of all the important financiers of the country.

Frederick H. Colburn, secretary of the California Bankers Association, was kept busy handing out to visitors some of the products of his state. At the California headquarters there were oranges, peaches, pears, all varieties of nuts and thousands of boxes of seeded raisins. The room in the Ponchartrain was handsomely decorated with cut flowers, and outside the door was a big oil painting framed in California redwood, bearing the seal of the state and extending an invitation to enter.

Lucius Teter, president of the Chicago Savings Bank and Trust Company, enjoyed the distinction of being the youngest bank president in attendance at the Detroit convention. Mr. Teter was formerly president of the savings bank section of the A. B. A. and a former member of the executive council. He is only thirty-six years old.

On Wednesday evening at 6:30 o'clock, former officers of the American Institute of Banking partook of a banquet served in the rooms of the Fellowcraft Club. The meeting

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

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CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and Savings Bank that Makes a Specialty of Collections and Bank Accounts

Largest Bank in Clinton County

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

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J. H. BLAIR, Vice-President C. A. BARR, Cashier

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As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERRAN, Cashier A. R. SMOUSE, Auditor

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is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

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CHICAGO

Peoples Trust and Savings Bank

Peoples Gas Building, Michigan Avenue and Adams St., CHICAGO

Condensed Report of Condition Sept. 4, 1912

RESOURCES

Loans.....	\$5,396,442.30
Bonds.....	1,030,766.87
Furniture and Fixtures.....	8,997.59
Due from Banks.....	1,044,808.19
Cash on Hand.....	600,867.52
	<u>\$8,081,882.47</u>

LIABILITIES

Capital Stock.....	\$ 500,000.00
Surplus.....	100,000.00
Undivided Profits.....	90,218.86
Reserve for Taxes and Interest....	17,692.86
Deposits.....	7,373,970.75
	<u>\$8,081,882.47</u>

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CHARLES G. DAWES
J. KRUTSCHNITT

S. M. FELTON
W. IRVING OSBORNE
GEO. M. REYNOLDS

JAMES F. MEAGHER
C. H. BOSWORTH

OFFICERS

C. H. BOSWORTH, Pres.
R. H. GRIFFIN, Vice-Pres.
W. J. COOK, Secretary

EARL H. REYNOLDS, Cash.
A. M. RODE, Asst. Cashier
R. B. UPHAM, Mgr. Bond Dept.



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"The Olympian" leaves Chicago every day at 10:15 p. m. —"The Columbian," its companion train, at 10:10 a. m. The route is over the newest and shortest line—the

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F. A. MILLER, General Passenger Agent, Chicago

was called by F. A. Crandall, vice-president of the National City Bank of Chicago and chairman of the executive council of the A. I. B.

The universal opinion of important financiers in attendance at the Detroit convention this week is that politics will have but slight effect upon business conditions this year.

Two Philippine delegates were at the convention. They were Major Thomas Hartigan, director and attorney of the Bank of the Philippines, and Señor D. Elliseo Sendree of Manila.

Hereafter the supervisors of state banks will not hold their convention at the same time the American Bankers Association hold theirs. It was decided to hold next year's meeting at St. Paul in June. This action was not the result of any friction, but it is believed that better work can be accomplished by a separate convention. Important among the matters decided on Wednesday was the passage of a resolution to the effect that it was the sense of the body that the office of banking commissioner should be free from politics and that the department should take the initiative in securing the passage of needed legislation to strengthen the banking laws.

State Secretaries Section

The state secretaries section of the A. B. A. met in the reception room, convention hall floor, Hotel Ponchartrain, on Wednesday and Thursday mornings, and was called to order by President J. W. Hoopes of Austin, Texas. The invocation was delivered by the Rev. Eugene R. Shippen, pastor of the First Congregational Church, Detroit. The address of welcome was delivered by Mrs. H. M. Brown, secretary of the Michigan Bankers Association, and the response was made by S. B. Rankin, secretary of the Ohio Bankers Association. After the annual address of President Hoopes, Secretary-Treasurer F. M. Mayfield of Nashville made his report. F. W. Ellsworth, of the Guaranty Trust Company of New York, talked on bank publicity, and Charles R. Frost, secretary of the Minnesota Bankers Association, delivered an address, the subject of which was "Is it Advisable for an Association to Endorse and Receive Special Prices on Bank Equipment?" William B. Hughes, secretary of the Nebraska Bankers Association, talked on protective service, and Haynes McFadden, secre-

tary of the Georgia Bankers Association, outlined a plan whereby conflicting convention dates practically can be eliminated. Other addresses were by Judge O. E. Dunlap of Waxahachie, Texas, on "The Boys Behind the Guns;" R. L. Crampton, secretary of the Illinois Bankers Association on "Central Bureau of Credit Information" and W. C. Macfadden, secretary of the North Dakota Bankers Association, on "Wealth Production Activities." Two of the topics which were up for discussion were whether or not it is advisable to divide the organization into groups and for these groups to hold annual meetings, and agricultural development and education.

A. B. A. RETAINS BURNS AGENCY

The Burns Detective Agency again will track the criminals who defraud the banks of America. This was decided by the executive council of the A. B. A. in session in Detroit on Monday afternoon. Resolutions were adopted expressing full satisfaction with the efficiency of the protective and crime detection branch of the association. There had been some agitation to re-award the contract for protection to the Pinkerton Agency, which had held it before, but the action of the council disposes of this.

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MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

was offering odds of two to one that they wouldn't overlook a solitary souvenir.

"ILLINOIS HEADQUARTERS" did not materialize. They were in the saddle, or in the air, perhaps, but not visible. Many were disappointed—sentimentally perhaps—for it is doubted if any real good is accomplished to repay the work and outlay necessary.

A FEW banks had headquarters and registered many visitors. A few were empty form.

FRED A. CRANDALL, Chicago, went on the Big Council this week as chairman of the executive committee of the A. I. B. True, it only is for a year, but then Fred is no green hand and will require no initiation.

THE "boys" from Illinois sent their compliments to W. T. Fenton at Chicago, when he missed the special, to "C'm on over." MISSOURI special had "six votes" on the organization of the new council and "Dick" Hawes appeared to be custodian of the great seal.

W. F. AND MRS. KEYSER were in the W. "Show me" delegation. So were Mrs. Watts and Mrs. Hawes.

EVERY banker at Detroit felt deeply the bereavement of C. G. Dawes in the loss of his only son. It was the sympathetic topic in every group.

HOT air has been very plentiful at Detroit this week and it wasn't the kind you put in quotation marks either. It was the 96° in the shade kind.

FOR about the tenth time a movement was put on here to elevate J. B. Forgan to an office in the A. B. A. by the independent process of a nomination from the floor. His name was used for a while by those who, in advance, wished to defeat whatever ticket named by the regularly constituted nominating committee.

JUST as promptly as in other and former cases, Mr. Forgan sat on the scheme, which was just what those who know him best expected. He so often has refused to accept nominations where no opposition would be encountered that his position was well known to many.

THE new committee on "New Constitution" will have short life, most likely, unless the administration committee reappoint it, for under the constitution the convention itself can name no standing committees, but all of its appointees cease to serve at end of each convention.

Diamond Collateral Wanted

Wanted—To buy diamonds taken as collateral. Business confidential. Goods can be sent c. o. d. Privilege examination

William Cohen - Diamond Broker
305 Nicollet Avenue - Minneapolis, Minn.

THIS provision was put in the constitution to head off the burdening of the exchequer with hastily conceived committees, most of which never do any real service to the association.

THE great annual golf game for the A. B. A. championship, now in its fifth year, was not pulled off at Detroit. It has a history.

THE contest started at Atlantic City by Mr. Cutler of Hartford, with Oliver C. Fuller of Milwaukee for a partner, challenging any pair of A. B. A. members.

THE play was to be for all the expenses of the four contestants for the day of the contest, including a dinner for the winners and their friends. Barnett of Jacksonville, Fla., accepted the defy and chose F. O. Watts for his partner. So closely are the pairs matched that one year it was a tie, and in no year did the winners come in more than one up.

AT Los Angeles Mr. Fuller played the last hole—190 yards—in one. It was all the more remarkable since the green was guarded immediately by a high bunker. There are those who fully believe he can do such a feat whenever it is necessary.

THERE was no game this year because of the absence of Mr. Barnett in Europe. Instead, the other three took on Charles O. Patch of Detroit and the four played "from scratch" in the convention tournament at the Country Club.

THERE were 119 registered from Illinois on Tuesday, including, of course, the ladies. Miss Woodruff, sister to George and F. W. of Joliet, and Miss Alice Wadsworth, niece of E. E. Crabtree of Jacksonville, were among the latter.

MORE than fifty bankers attended the A. B. A. meeting of Illinois members to elect officers for the current year. H. E. Otte was made state vice-president, while E. E. Crabtree and W. T. Fenton were given three year terms on the Big Council. M. A. Traylor was put on the nominating committee, an important station for this year.

WILLIAM A. HEATH called the meeting to order, in his capacity as acting, actual, and in-every-other-way vice-president for the state. His short talk was both humorous and brief. He turned the office over to Mr. Otte, who then presided.

PRESIDENT LIVINGSTONE acquitted himself in the double capacity of presiding officer and host in a way to please both friend and critic.

GEORGE M. REYNOLDS for once read his "piece," for on such a subject as the "money trust" he could not afford to be misquoted. It was the hit, so far as larger interests are concerned, of the convention.

JOHN H. JOHNSON was on the job from the word go. There wasn't any fall-down in his department.

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SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

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**MOLINE
ILLINOIS**

EMORY W. CLARK used his big touring car about twenty-nine hours per day shooting bankers from one point of interest to another, and never broke an engagement.

NEW, hot-weather hats were donned promptly by Homer A. Miller, Charles H. Huttig, Arthur Reynolds and W. G. Edens.

GEORGE E. ALLEN, poet laureate from 11 Pine Street, put in some good licks in behalf of the Institute, with bankers from towns and cities where the work is backward. There was talk of making him the eastern secretary for the better farming movement. His cue would be to do sort of John-the-Baptist work among the Wall Street bankers, who, of course, only are near farmers.

J. A. LEWIS, from down by the big bridge, managed to play from twenty-six to fifty-four holes per day and still attend all the important sessions—a very difficult feat.

IT ought to be easier to get the Wisconsin bankers to try "the main traveled road" another year. Waiting at the switch isn't a popular form of amusement for the worldly-wise.

THOSE disgruntled New York publishers who told the council that one of their number had lost 500 subscribers through opposition of the Journal-Bulletin, spent all the rest of the week trying to detach themselves individually from the rumor. Sometimes what they said of each other was "the unkindest cut of all."

INCIDENTALLY they continued to tell unwilling listeners the most damaging sort of dream talk about—well, about a paper you think pretty well of.

TICKETS to "Walkerville" were at a premium.

ERNEST A. HAMILL of the big Corn Exchange was one of the genuinely interested convention goers. Hasn't missed one since he started going.

GEORGE H. RUSSEL, himself an ex-president of the A. B. A., gave a dinner to the other exes who were in Detroit. They were Logan C. Murray, Robert J. Lowry, E. F. Swinney, J. D. Powers, Lewis E. Pierson, George M. Reynolds and F. O. Watts.

FOURTH NATIONAL, New York, kept open house and so did the California bankers.

E. H. DOYLE of Michigan presided over the conference of bank supervisors. L. L. Bacchus of Illinois read an important paper.

THE "floating hotel" was all right until she piled her roomers' baggage out on the dock and quietly floated away. Didn't find the hotel business congenial or profitable probably?

HOWARD HOOKE says the steam-roller was so well oiled and pussy-footed that he didn't even wake up for a considerable period after she had operated on the round-robin, so that it no longer was round.

FULLER, Watts, Patch and Cutler won all of the eight cups offered by the Detroit bankers. Wm. J. Burns, head of the protective department, was put on the case at once.

OF course Mr. Patch did not take his and Messrs. Fuller, Watts and Cutler were satisfied with one each. Burns promptly reported that the scores had not been made out in advance but was unable to advance a plausible theory. Sol. Smith of Chicago was called in consultation.

COUNCIL club dinner was a big hit with everyone. Lucius Teter was re-elected as secretary, while Col. J. J. Sullivan of Cleveland was made president to succeed Geo. H.

Russel. The executive committee is L. E. Pierson, Luther Drake, P. C. Kauffman, F. H. Fries and William George.

SECRETARIES section elected a quartette of officials it would be hard to beat. Secretary Macfadden was made chairman and will sit in on the Big Council the coming year. Bowman of Kansas was made first vice-president and Hall of Iowa, second vice-president. Harrison of Oklahoma was made secretary.

W. J. BURNS, the world-known detective, addressed the secretaries and made a big hit. He was loudly applauded. The executive council indorsed him and his work unanimously.

HERBERT W. COST of the St. Louis investment banking firm of D. Arthur Bowman & Co., attended the Detroit convention. Mr. Cost traveled with the St. Louis delegation to Detroit and states that Messrs. A. O. Wilson and E. B. Clare-Avery are the best "chaperons" he has ever met. Mr. Cost left for a short Eastern vacation trip after the convention and will not return to St. Louis before October 1st.

CASHIER.

AT DETROIT

(Continued from page 1)

at the spring meeting. The committee which will have the revision in charge includes R. E. James, Easton, Pa.; W. J. Bailey, Atchison, Kan.; O. E. Dunlap, Waxahachie, Texas; Gordon Jones, Denver, Colo.; Sol. Wexler of New Orleans and C. H. McNider of Mason City, Ia.

At the Wednesday morning meeting of the trust company section, George M. Reynolds, president of the big Continental and Commercial National of Chicago, replied to the critics of banks and bankers. He found fault with the national platforms of the three larger political parties because, he said, they fail to help provide a proper system of banking and currency. He disclaimed any knowledge of the so-called "money trust," and stated that people confuse "money power" with "money trust." He stated that bankers will not object to any investigation by congress as long as they are not compelled to disclose confidential relations with their customers. Mr. Reynolds' talk will be found printed in full elsewhere in this edition of THE CHICAGO BANKER.

Detroit long will be remembered by the bankers who were the subjects of its hospitality this week. A fine program of entertainment was provided for the visitors and delegates. On Monday there was a reception and luncheon at the plant of the Burroughs Adding Machine Company, at which there were about 2,500 present. Each person attending was given a souvenir. On Tuesday there was a reception and ball to the visiting bankers and ladies at the Wayne Pavilion. Wednesday there was a golf tournament, baseball and a trolley ride to Mt. Clemens via the Shore Line along the Detroit River and Lake St. Claire, returning via the Rapid Railway. Thursday there was a luncheon at Walkerville, with the compliments of Messrs. Hiram Walker & Sons, Ltd., a reception for the ladies at the Country Club, a baseball game between Detroit and Philadelphia and a theatre party in the evening. On Friday the visiting ladies were taken for an auto ride around the city.

BIG NEW YORK BANKS TO MERGE

New York, Sept. 11th.—It was said to-day that a merger of the Guaranty and Standard Trust Companies, whose assets total \$263,000,000, will be approved to-morrow when the directors of the Guaranty Trust Company meet to consider the merger negotiations.

DOES YOUR BANK INVEST IN BONDS?

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First: For temporary investment?

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Third: For income?

Fourth: As a "secondary reserve" proposition, or

Fifth: For appreciation?

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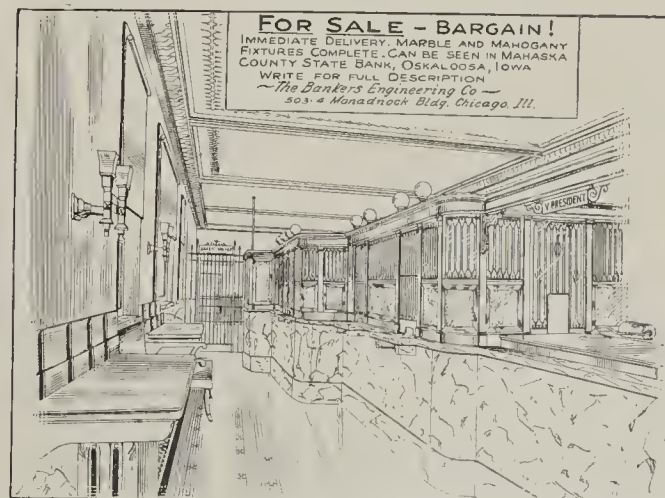
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CHAUNCEY KEEP, Trustee Marshall
Field Estate

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and worry of
counting and
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The Girard National Bank
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

SEPTEMBER 21, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Peoria, the Con- vention City

The Illinois Bankers Association will hold its twenty-second annual convention in Peoria on Wednesday and Thursday of next week, the sessions to be held in the Orpheum Theatre. Bankers who attend this convention will find many things of interest in this growing, prosperous and progressive city. The popularity of Peoria as a convention city is ex-



BIRDS-EYE VIEW OF PEORIA, ILLINOIS

emplified by the fact that already she has to her credit twenty conventions for 1913 and a few for 1914, a record of which any city might justly be proud. This success can be attributed to organized effort, the spirit of co-operation manifested by all local interests, and the fact that the city possesses many of those things which render a stay within its confines enjoyable to the visitor. The value of Peoria as a convention city lies in her central location, facilities for accessibility, as well as the large number of halls and meeting places available for large gatherings.

Fourteen railroads have their terminals in Peoria, eleven of them being parts of great national systems. Thirteen of the states comprising the Middle West can be reached by navigable streams. As a railroad center, it outranks every other city of its class in the United States in its transportation facilities. The mileage of the railroads entering the city constitutes 29 per cent of the total of the United States. The Illinois River, which is a tributary of the Mississippi, is navigable for large vessels nine months in the year. Three lines ply regularly, and others are in process of organization. It is quite apparent that the excellent transportation facilities which the city enjoys have had much to do with its already phenomenal growth and development, and will play a prominent part in its future progress, and in enabling it successfully to uphold its present reputation of being one of the most important of the thriving, progressive and up-to-date cities of the Middle West. Its central location affords unequalled advantages for manufacturing and opportunities for business enterprises. There are four hundred manufacturing plants, representing a total investment of twenty-five millions. The annual wages of the 12,000 employees amounts to eight millions, and the value of the finished product to sixty millions.

(Continued on page 18)

ADDRESSES ROAD COMMISSIONERS

The highway commissioners of Illinois met for their annual convention in Peoria on Thursday of this week. A large number was in attendance. William G. Edens, assistant secretary of the Central Trust Company of Illinois, president of the Illinois Highway Improvement Association and attending the conference as a representative of that organization, made an address on the general subject of good roads.

Chicago-Peoria Special Train

A special train, leaving from the La Salle Street Station, over the Rock Island, September 24th, at noon, will carry Chicago bankers and those from surrounding territory to Peoria, where the twenty-second annual convention of the Illinois Bankers Association will be held September 25th and 26th. The train will consist of dining, parlor, buffet and library and baggage cars. A table d'hote luncheon will be served. Bankers who are unable to take this train can get one at 9:10 A. M., 5:44 P. M. and 2:08 A. M., the night train; passengers can enter sleeper at 10 P. M. Railroad fare is \$3 each way; berth rate, \$1.50; parlor car seats 50 cents and luncheon \$1. This spe-



CREVE COEUR CLUB
Peoria, Illinois

cial train will arrive in Peoria about 5:25 P. M.; the train leaving at 9:10 A. M., at 1:25 P. M.; the 5:44 P. M. train at 10:00 P. M. and the 2:08 A. M. train at 6:30 A. M. the 25th. L. H. McCormick, general agent, passenger department, Rock Island Lines, Adams and Dearborn streets, is in charge of this train and reservations can be made through him.

NEW ILLINOIS BANKS ORGANIZED

Permits have been issued by the state for the organization of two new Illinois banks—one to Albert H. Tyrrell, George R. Kent and William H. Mulholland, for the Northern Illinois Trust and Savings Bank of Chicago, capital \$200,000 and a charter tenure of ninety-nine years. The other was issued to William G. Schluht, F. M. Hamlin and Charles Harbaugh for the Lake Villa State Bank in Lake county, with a capital stock of \$25,000 and a charter tenure of fifty years.

State Supervision

State supervision will be "on the fire" at Peoria convention next week, and the attendance likely will be larger even than at Springfield. The program is superior, easily, to any other for the year. At Detroit one ambitious plan was to put up a progressive ticket—George Woodruff for president and Col. Aisthorpe for vice-president—and thus to clean up the apparently factional tendency in the situation.

The private bankers' committee members are taking the Harris-Dawes plan for bringing all banking under state supervision very much to heart. Their latest circular address to their fellow private bankers reads:

Why Should the Illinois Bankers Association Go on Record as Forcing the Private Bankers Out of Business?

"Contrary to the action of the executive committee of this association, B. F. Harris appointed a committee to accomplish this purpose. And the committee, headed by Chas. G. Dawes, president of the Central Trust Company of Chicago, recommends to this association that such action be taken. It concedes to start with that there are many conservative, safe and successful private banks throughout the state; that at best this action must put all honest, reputable private bankers to some inconvenience by forcing them to change their methods of business. Because some private bankers fail, and through such failing the depositors lose their money, this committee thinks all private bankers should be forced out of business or else incorporate their banks in order to protect the public; also that the private banker should be public spirited enough to join in bringing this about. This recommendation is erroneously called 'bringing the private banks under supervision.' The impression is given by this proposal that supervision and incorporation are synonymous terms, losing sight of the fact that incorporation has many other objects than supervision which is only one of its incidents.

"The questions sent out by Mr. Harris were put in such subtle form that some private bankers have answered in favor of supervision with no intention of committing themselves to forced incorporation.

"As it is now made clear what the real purpose of this move is, what should be the action of this association? Its membership is about

(Continued on page 19)



HAMILTON BOULEVARD
Peoria, Illinois

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

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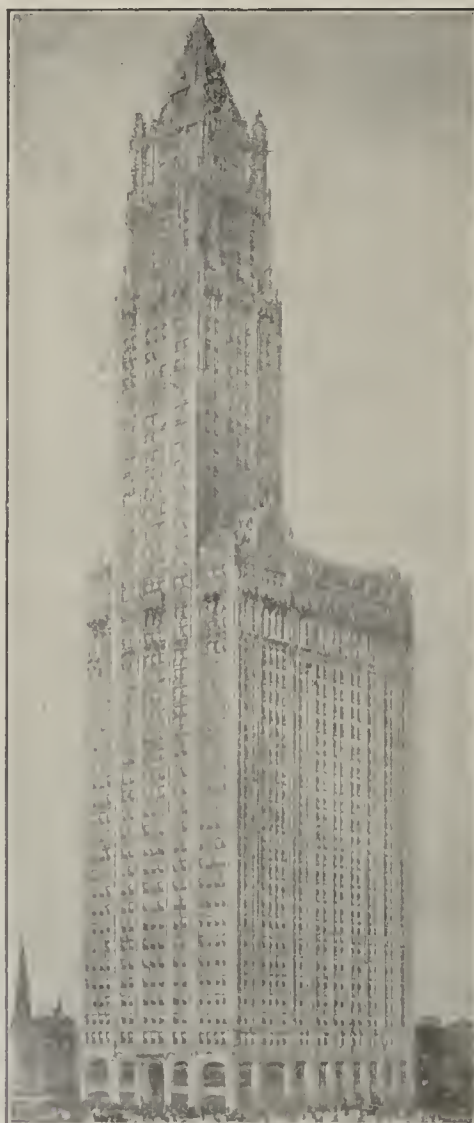
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Mainly About Banks and Bankers

JOHAN G. LIVER of Hartford, Wis., was at the Detroit convention, but he kept at a distance from Albert G. Bacon in the Pontchartrain lobby for fear, perhaps, that "Fred" Hoops would present them jointly as "liver and bacon."

A. W. GUEST said he could see nothing funny in Life's famous cartoon entitled "The First National," in which a beautiful lady is shown going down into one of her polka dots for her roll. Guest is cashier of the Stocking Savings Bank at Rochelle, Ill.

FIRST NATIONAL, St. Joseph, Mo., is "some bank" since Monday last when it took over the business and assets of the Merchants Bank of that city. Capital and surplus \$800,000.

R. T. FORBES is the president and T. W. Evans becomes chairman of the board. All the officers are retired. Capitally it is the strongest bank in St. Joseph.

JOSEPH CHAPMAN, presiding at the Friday session of the big A. B. A. convention at Detroit, looked so good to the boys that they want him to cut out the chairmanship of the council and go in for the vice-presidency next year at Boston.

MANY have the notion, too, that the head of the Big Council will not be stepped-up as hereafter—not after the year out of office prescribed by Doctor McNider in his famous amendment.

ELECTING Chapman next year at Boston might set the style of taking up heads of other committees who distinguished themselves in the service of the association.

R. E. JAMES (a James dandy) might hand in such a fine new constitution that he would go in after Chapman and Charles H. McNider—head of the amendment bureau could follow after.

COULD you beat any of the four named? Wouldn't things hum at the old stand? None of them would need any assistance in presiding and every kink in present customs and practices would be eradicated or ironed out.

AUGUST BLUM and other late guests of the Hotel Cadillac, Detroit, feel very grateful that the "fire" was postponed until they had checked out.

WHEN A. W. Britten proposed city supervision for private banking in Chicago last spring, on the heels of two or three total failures in the private ranks, the privates only grinned and doubled their paid write-up contracts in certain unmentionable papers.

BUT Britten had his dander up and has just landed an opinion from the corporation counsel's office sustaining his position. In consequence a bill will be presented at Springfield permitting the city of Chicago to license, supervise and control financial institutions not under control of state or national authority.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

CERTAINLY, under the city and villages act the city can license and control "money changers and brokers," for it says so plainly.

"THE supreme court held in the case of *Hinckley vs. Belleville*, 43 Ill. 183," read the opinion, "that money changer means banker as we ordinarily understand the word. The court further held that the city council may pass an ordinance taxing, licensing, and regulating banks. Private banks are included in this description."

THOSE who are out for complete supervision should not let this new doctrine supplant, or bar genuine reform in banking laws. The Britten plan may be used only as a "refuge" in case of a general act.

SURE! Perkins helped to organize the Harvester Trust. Also the Bull Moose trust—was chairman of finance in both branches of the industries.

W. J. KOMMERS of the Old National, Spokane, has tired of seeing eastern cashiers list his growing city as if it were almost suburban to Denver, San Francisco, or as if it were merely one of the Tacoma-Seattle-Portland group.

IN consequence he has had printed a beautiful map in colors showing up the "empire" of which Spokane is the financial as well as geographical center. When an eastern collection comes to the Old National via the coast or some other out-of-range place six or eight days late, Kommers will send on the map with a letter telling how such delays may be avoided.

OUR thanks to President B. W. Moser for kindly mention of this journal and its attitude toward the A. I. B. in his Salt Lake report.

OFFICIAL call is out for the Dry Farming Congress, at Lethbridge, Alberta, October 21-25. Delegates are expected from every civilized part of the earth.

E. J. BOWMAN and family of Anaconda were the luncheon guests of W. G. Edens on Tuesday. Mr. Bowman during his membership on the Big Council has made a host of friends. At home he is president of the Daly Bank and Trust Company. Sterling, Ill., was his former home.

NOW we have an explanation of why R. T. Forbes canceled on the Banquet Special to Detroit. While the rest of us were disporting at Walkerville or at the Burroughs plant he was taking over a rival bank. He promises next time to avoid conflicting dates.

WE think that the "hit" of the Detroit convention was the clear and sparkling talk by George Woodruff, putting us all straight with European farm financing after Conant and Chamberlain had everybody guessing. The thing is rather simple when plainly put.

"THAT fellow Woodruff is a dandy," said Farmer Joe, who presided. "We've got to have him up in Minnesota to explain to the people that the European three and three-and-a-half per cent farm loans are in reality farm bonds which the farmer must sell to get the coin which then costs him from 4.3 to 4.75 per cent. There's a lot of difference when you get the 'joker' dislodged."

IT was declared by several members of the Chicago city council this week that there will be practically no opposition to the passage of a law placing private banks under city or state control. Most of the aldermen, it was stated, favored the plan of protecting depositors who patronize private banks.

THE Dawes committee report probably will be assailed on the non-legality of its appointment at Peoria. Really this only is catching at straws, for the exact question is supervision or non-supervision.

THE Illinois Bankers Association is a too important organization to use a technicality or a quibble for dodging purposes when the issue is fairly drawn on principle. There is authority for the Dawes committee but even if it comes into court as a volunteer the issue cannot be avoided.

IF you had a chop-suey secretary on your pay roll who had the nerve to ask an increase in salary, and you had been sorry for a whole year that you hadn't done it before, how long would you hesitate with the hook?

JOSEPH CHAPMAN, JR., dean of better farming experts, has discovered in the present Minnesota state fair an object lesson for those who would learn how to advance in

(Continued on page 31)

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WILL BE PLEASED TO MEET THEIR
CUSTOMERS AND FRIENDS AT THE

ILLINOIS STATE BANKERS CONVENTION

IN PEORIA, SEPTEMBER 25 & 26

W. C. Macfadden on Wealth Production Activities

Famous secretary of the North Dakota bankers in a valuable paper before the Secretaries Section at Detroit, covers an important part of the present better farming problem

I could consume a lot of time trying to go out into the various highways and byways, toward which this subject leads, but I am going to let you off with a very brief talk, and I am going into only one of the many paths I might take, for I believe you want me to say something, if I can, that will be of some assistance to you in your association work. I am sure we all fully realize the responsibility which rests on our shoulders as representative of the organized banks of the country, and if we do fully realize this responsibility, it is possible for us to direct, and guide the activities of our various organizations along lines that will be of great benefit to the communities in which we live. With this in mind I am going to consider only one of the activities of wealth production—that of agriculture. It's the most important one and the only one I know very much about. You will understand, of course, that what I have to say applies only to the newer part of the country.

The movement which originated in the Northwest for co-operation with the farmer and educator is an effort, not only to produce better results from the cultivation of the soil, that most valuable of all endowments which the Creator provided for the maintenance of the human family, but also to conserve for future generations to as great an extent as possible the fertility of the soil, has spread all over the country, and in nearly all of the organizations you represent, committees on agricultural and educational development have been appointed to assist in the work. You are closely in touch with these committees and they look to you for advice and assistance. It is important that there should be some uniformity in their work, and the annual conferences of the agricultural committees from the various associations which were inaugurated by Joseph Chapman are bringing about this uniformity of action. It is not possible, however, for all of you to attend these conferences, and I may be able to give you some ideas as to the details of the work being done which will help you as you attend your committee meeting and confer with your committees of men upon this subject. You see I am taking a practical view of what Brother Mayfield expected when he assigned me a place on the program. I might have brushed up on political economy or on the single tax theory and given you a long, tiresome talk that you would forget as fast as I talked, but we are pretty busy up in the Northwest, at this season of the year, and don't have time for very much brushing up of any kind.

In considering the activity of wealth production as applied to agriculture and the assistance which the bankers association can give by co-operation with the farmer and the educator, you must start with the knowledge that the average farmer pays very little attention in the business side of his work to fundamental principles. He does not take into account the fact that increase of labor does not increase production in an equal degree, or in other words, that there is a point where the law of diminishing returns must apply. The banker and the average business man take into account the principle respecting capital that

industry is limited by capital and that capital is the result of saving, and plans his campaign for success in life and the success of the community in which he lives accordingly; but many farmers are simply gamblers with the



W. C. MACFADDEN
Fargo
Secretary North Dakota Bankers Association

most valuable asset we and the generations which will come after us can ever have. I know of a case which happened this spring, and there no doubt are many similar ones all over our state year after year, where a farmer had been at work seeding wheat for two days. One of our state agricultural experts happened to drive by and asked the farmer if he had tested his seed wheat. He had not and following the advice of the expert, stopped his work long enough to make a test. The test disclosed the fact that only 20 per cent of his wheat would grow. What would you think of methods of this kind, applied to banking, manufacturing, or any other business except that of farming?

With just that one instance in mind, I am sure it is not a difficult task to map out a line of work that can be taken up by our bankers' association that will result in untold benefit to our country. The work should begin with the boys and girls. Get your members to offer all sorts of prizes to induce the boys and girls to become interested in work with their hands, both outdoor and indoor, look into the course of study in your public schools and keep in mind that in the average community 85 per cent of the boys and girls leave the public

schools before they have completed the eighth grade. Use the influence of your association to obtain state aid for the consolidated, graded, and rural school and see that the course of study in these schools includes agriculture, manual training, and domestic science in the lower grades.

Let me read you an extract from a paper read recently by John Munroe, superintendent of the Cokato, Minnesota, Associated Schools.

"The introduction of agricultural or other industrial work in the curriculum of our public schools is interesting from two viewpoints; the one destructive, the other constructive.

Our public school superintendents and teachers are so deeply in a rut that it takes something new to make them fully realize their position. The introduction of agriculture is sure to establish the question mark of efficiency. Then begins the process of elimination. Greek and Latin will gradually disappear. Higher Algebra and solid Geometry will go. English will become expressional. Half of History and Arithmetic will be eliminated. In fact, the whole worthless shuck will be removed from the educational system, leaving the golden kernels of truth where the interested children can greedily devour them.

After a short period of destructive elimination comes a happy period of growth. Language will thrill and throb with oral and written work upon the wonderful things found in our door-yards. Children will become enthusiastic in discovering that the local township and country has a beautiful geography and history. Arithmetic will prove fascinating when it treats of home problems. The industrial subjects themselves will be so correlated with and absorbed by the ordinary English, History, Geography and Mathematics that the child will not realize where the one begins and the other ends. All will be one whole, working to make the child an efficient economic unit.

Coupled with the destructive and constructive process will go the reawakening of the teaching force. The instructors will then realize the continuous nature of education—and that it deals with the individual and not the class or grade. Teachers and pupils will be more human.

If superintendents doubt this, let them discover the truth by attempting the experiment. Of all things this will reveal the exact conditions to them.

Prof. Munroe tells that he was teaching a country school when he first got the "bee in his bonnet" to introduce agricultural and other industrial work in the public school. He took a vote of his pupils before starting the work to see what the sentiment was as to living on the farm. He had 163 pupils, and 100 of them said they did not intend to become farmers or farmers' wives. After carrying on the work for a year he took another vote, and the former vote was reversed. One hundred intended to live on the farm when they grew up. The school house and the school grounds were the most attractive place in that whole community, and the whole order of things had been reversed. The school teacher was the whole show in that community, and everybody went

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JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

to him for advice. When he left the community his loss was felt in every home. How many school teachers or school superintendents, under the old plan of conducting schools, do you know who are missed when they leave? The average school teacher and the average preacher wear out in a very short time, and the community welcomes a change. It is different, however, with the average doctor, and up in our country we believe it is only a question of time when in every agricultural community there will be a doctor of agriculture, who will have a thorough knowledge of scientific farming, forestry, chemistry of the soil, the care of live stock, the architecture of farm buildings, and all kindred subjects. In North Dakota the experiment is being tried of having such a man in every county. A three year campaign has been planned and before the expiration of that time I believe it will be demonstrated that the services of these men are so valuable that provision will be made either by the government or by individual states for their maintenance in every agricultural community.

It is true we have splendid agricultural colleges scattered all over the United States where farmers and farmers' boys and girls can go for any information they want to assist them in their work. But they will not go to the colleges for this assistance. The information they want must be taken directly to them. It is like going to church or prayer meeting. The people who most need the assistance of the church to guide and direct their lives don't go to church, and the ones who need the preacher the least are in their seats whenever the bell rings.

In assisting in the campaign for better farming and conservation of the soil, you must use the same methods it is necessary to use to interest the people in anything. If you had a new brand of soap you wanted everybody to use, you would spend a lot of money advertising; whenever anyone picked up a newspaper or walked along the street, an advertisement for your soap would stare him in the face and you would send out a lot of traveling men to tell the people why your soap should be used. Get out attractive posters on deep plowing, crop rotation, selection and care of seed grain, etc., etc. Send samples of such posters out to your members with the offer to furnish them five hundred or one thousand copies with their advertisement printed on them at the actual cost, and ask them to see that these posters are put up in all public places. In a little while you will have the whole state discussing the various subjects. In North Dakota we have the best and the most uniformly good crop this year we have had for years. The campaign made by our

bankers association last fall for deep plowing, and the campaign carried on this spring for care in the selection of seed grain must be given some credit for this fine crop. Enlist the services of your legislators and public men in a campaign to conserve the fertility of the soil. Do you know that in Germany, Holland and some other foreign countries the government directs the activities of wealth production in agriculture. In these countries the government would not permit the farmer to deplete and exhaust the fertility of the soil as is permitted in this country. They say to the farmer, "When you raise wheat, you take so much nitrogen, so much phosphorus, and so much of the other chemical properties necessary to raise wheat, out of the soil, and you must put it back." Or else they say, "Let America raise our wheat and other crops that exhaust the soil and we will raise sugar beets, potatoes, and the balance of the list that keep up the fertility of the soil."

Countries pursuing that policy are undermining us more seriously than they could ever do with any of the modern implements of warfare. We could whip any of them in an open fight, on land or sea, but we are as surely furnishing them the "sinews of war" that will eventually end in our demoralization if the tables are not quickly turned. And it is up to the bankers association and other organizations of capital and industry in this great

country of ours to see that a radical change is made in the activity of wealth production as applied to agriculture.

ASSOCIATION OF COMMERCE AP- POINTS GOOD ROADS COM- MITTEE

Eugene U. Kimbark, president of the Chicago Association of Commerce, is exercising the authority conferred on him by resolution of the ways and means committee, and with the approval of the executive committee has announced the selection of a committee on good roads. It is understood that this committee will not initiate any original plans, but will co-operate with the Illinois Highway Improvement Association, several members of the committee representing the Association of Commerce also being members of the Illinois Highway Improvement Association. It is understood that so far the president has received acceptances from W. G. Edens, assistant secretary of the Central Trust Company of Illinois, president of the Illinois Highway Improvement Association; John D. Shoop, first assistant superintendent of schools, board of education; G. E. Scott, American Steel Foundries; John H. Hardin, F. A. Hardy & Co; H. Paulman, Chicago Automobile Trade Association, member of the executive committee of the Illinois Highway Improvement Association; George J. Charlton, C. & A. R. R.; P. S. Eustis, C. B. & O. R. R.; J. C. Clair, I. C. R. R.; Hugh S. Pettis, attorney, and W. H. Richardson, C. & E. I. R. R.

OHIO AGRICULTURAL COMMITTEE MEETS

Columbus, Ohio.—The first meeting of the agricultural committee of the Ohio Bankers Association was held here recently, the full membership being present. The committee was appointed at the recent meeting of the bankers for the purpose of encouraging the farmers to secure an increased production from their lands. It was said that the prosperity of Ohio might be doubled if the agricultural methods were improved. The bankers feel that they can do more for the farmers than business men in any other field of endeavor. One plan discussed was to encourage country bankers who own farms to make them models of progress as an encouragement to the farmers in the community. Organization of farmers by country bankers was also urged. Secretary A. P. Sandles, of the state board of agriculture, said Ohio has 142,000 acres of abandoned farm lands and thousands of acres lying idle that would produce immense quantities of fruit if they were developed.

Short Term Securities

Investment bonds and notes issued to mature in from one to five years are favored by many investors as yielding a somewhat better income than long time obligations.

Such securities, particularly of the larger issues, also usually command a ready market and are not subject to extreme fluctuations in price.

Our recent booklet, "Short Term Securities," met with so favorable a reception that we have been prompted to issue a second edition. This contains brief descriptions of current issues, brought down to June, 1912. We will furnish copies on request.

Ask for Booklet S-724

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$ 23,000,000.00
Deposits - - - 190,000,000.00



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

How the Newspaper Can Help the Bank

For instance, let us consider for a moment just how the newspaper can help the bank. The newspaper has advertising columns which are for sale and I have yet to find a newspaper that is not ready and willing to admit to its columns the advertising of a reputable bank. As a matter of fact, most of them, I should say, are reasonably eager for such business if one can judge by the frequent visits that the banker receives from the ever-recurring newspaper advertising solicitor. All right. We have the advertising columns of a newspaper. What shall we do with them? Well, I should say that the very best thing that we can do with them is to use them, provided we are able to use them intelligently and effectively. Of course I realize that there are still some banks that do not believe in newspaper advertising. They have not yet become convinced of the necessity for, or the wisdom or ethics in publicly asking for new business. And yet these same banks are advertising in a way which only a few years ago would have been considered very much out of place. They perhaps run a fossilized card, and they exhibit on their windows and over their door signs announcing the name of their institution, with possibly the amount of their capital and surplus or possibly the words, "conducts a general banking business." Now advertising in the newspaper is merely increasing the circulation of the sign in front of the door. It is the act of placing the bank's announcement before a multitude who otherwise would never see it, and then calling attention to it by explaining in simple, direct English just what the bank stands for and in what way it can serve the readers.

An Example

Here is a good bank, we will say. It has an adequate capital and ample surplus and a large deposit line. Its building is commodious and well lighted, the officers and clerks are genial and obliging and know their business. The bank's facilities for serving its customers are equal to the best. Now supposing this bank does not believe in advertising, how under the sun are all of the people in the community

F. W. Ellsworth, publicity expert for the Guaranty Trust, New York, in a talk to the members of the Secretaries Section, at Detroit, gives valuable hints of co-operation between editor and banker

ever going to learn about those favorable features? It is true that many of them will become acquainted with the institution through contact with its customers, but even that very excellent mode of securing new business is limited. Is there any good reason why that bank should not call on the newspaper in the town to help spread the gospel? There are hundreds of banks in the United States to-day that are working with the local newspapers to that very end, and such of them as are giving the proper attention and time and intelligence to the preparation of their copy are achieving results.

Perhaps a concrete example would better illustrate just how the newspaper can be of

assistance to the bank. We will take for instance a bank with \$50,000 capital and \$500,000 deposits and we will assume that the bank is making 20 per cent profits annually, which would be \$10,000. Five hundred dollars a year would not be too much for that bank to set aside for advertising. Three hundred could be used for space in the local newspaper, and based on a contract of 20 cents per inch, which is perhaps an average rate for newspapers in towns of from 5,000 to 25,000 population, the \$300 would enable the bank to run a five-inch double column advertisement three times a week for an entire year. In the intervals between taking in deposits and making loans and turning down undesirable customers, the cashier could dash off an advertisement every other day so that there would be change of copy each time the space was used. And he needn't be afraid that he will run out of subjects, as the banking business is full of good talking points. I recently saw a book on bank advertising with a title something like this: "Two Thousand Points for Financial Advertising." On the basis that I have mentioned, such a book would furnish material to the cashier for a dozen years or more. He could talk about the savings department, and the commercial department, and the safe deposit vaults, and the strong board of directors, and the experienced officers, and the intelligent clerks, and the advantage of a household account. He could explain that the bank pays interest on deposits, makes loans to responsible people, receives deposits by mail, issues certificates of deposit and travelers' checks. Then he could call attention to the strength of the institution; he could explain the relation between surplus and capital, and tell of the safety assured by the supervision of the state banking department or the comptroller of currency as the case might be. Is there any good reason why a bank with the qualifications which I have enumerated should not employ a method of this kind to secure new business and hold it, and is not this one way in which the newspaper can be of assistance to the bank?

Right here let me pause to remark that I do

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Capital - - - \$2,000,000.00
Surplus and Profits 1,468,000.00
Deposits - - - 15,397,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,267,000.00

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Capital - - - \$ 1,500,000
Surplus and Profits (earned) 2,270,000
Deposits, over - - - 25,500,000

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not wish to convey the impression by what I may say here that a bank should spend all of its advertising appropriation with the newspapers. I do believe that the best results, everything considered, come from the intelligent, continuous use of newspaper space, but there are other effective advertising mediums which a bank can profitably employ, but for the purpose of this discussion I will not take the time to mention them.

Editorial Assistance

Another way in which the newspaper can co-operate with and assist the bank is by running educational financial matter in its financial department or on its financial page. Many of the newspapers in the larger cities, and quite a number of the magazines, are doing this kind of work. It would be manifestly impracticable for the average country weekly or daily to follow a plan like this continually, but an editorial now and then which will preach sound financial doctrine can work great good both to the bank and to the general public.

Co-operative Educational Advertising

Here is still another way in which the newspaper can materially help the bank. We will take a town, say, of 25,000 population, with two daily papers and four banks. Each of the banks carries commercial and savings accounts. Now let all four of the banks get together, put \$500 apiece into a common fund or let each contribute according to the size of its deposits. Then hire a competent advertising man to write fifty or a hundred educational advertisements to run in the two papers, say three times a week for a year, each ad. to bear the signatures of the four banks. Then let each bank advertise for itself as much or as little as it cares to. If at the end of the year all the banks in the town have not increased their commercial and savings deposits considerably it will be because the banks had the accounts of all the folks in the town before the campaign began. In this way the newspaper can be of great assistance to the banks in a beautifully impartial manner. The plan that

is now employed by many banks is unjust in that the banks that do not advertise reap the benefit from the advertising which the more enterprising bank pays for. I have in mind right here a case of a bank in a middle western state that spent several thousand dollars in an educational campaign for savings, and the other banks in the town secured quite as much benefit without any expense to them as did the advertising bank. Manifestly this is not a square deal, although it was not the fault of the banks that did not advertise. They were simply lucky in receiving something for nothing.

How the Bank Can Help the Newspaper

Now what can the bank do for the newspaper? In other words, how can the bank be of assistance to the press? There is probably no business institution, public or private, in any community in which the people are more interested than they are in the bank. People have thousands and even hundreds of thousands and millions of dollars placed in the bank for safekeeping. This money represents the savings of hundreds of people in the community, and the operating capital and surplus of the business houses. It is not at all surprising, therefore, that the people should have a keen interest in whatever affects the bank. The newspaper, anxious to give the people the news, and, in spite of much evidence to the contrary, usually really desirous of conveying correct information only, will welcome from the bank authoritative and authentic news items which in any way affect the people's depository. Perhaps the bank has elected a new officer, or has added a new member to its board of directors, or has increased its capital, or has transferred a substantial sum from undivided profits to surplus, or has declared a dividend, or has shown a marked increase in deposits, or has decided to enlarge its office, or is preparing plans for a new building. Any and all of these are of general interest and the newspaper would be glad to be the first to announce these items to the public.

If I were asked to advise the bankers in

this connection I would say get acquainted with the men in your town who make the newspapers. You don't know them well enough. Perhaps you have a speaking acquaintance with them, but that is not enough. Get closer to them. You will find them very decent fellows indeed. Why, even the men who produce the great metropolitan dailies in the big cities are splendid fellows when you get to know them. They fish, and play golf and tennis, and enjoy a ball game just like the rest of us. I know from personal conversation with many newspaper men that they are only too glad to receive the co-operation of the bankers in the dissemination of real news matter. Please understand that I do not mean by this that the newspaper will welcome write-ups or fake news items just merely to advertise the bank, but they do want information that is reliable and has real news value and will gladly give it space in their columns. In this way the bank can co-operate with and assist the newspaper.

There is no doubt that these two great factors in the development of our modern life, the bank and the newspaper, can assist each other and thereby benefit the general public much more than they are doing. Reciprocity, or co-operation, or call it what you will, is a logical, sensible, practical, human program, and if the newspaper and the bank will adopt this program and put it into real practice, I believe you will agree with me that good results will come to the bank and to the newspaper and to the people at large.

RAILROAD INTERESTED IN GOOD ROADS

W. S. St. George, general passenger agent of the M. K. & T. railway system, headquarters at St. Louis, who was a delegate to the Trans-Mississippi Commercial Congress recently held in Salt Lake City, says that his road wishes to make further publicity of the address made before the congress by William G. Edens of Chicago on the subject of good roads.

Fort Dearborn National Bank

CHICAGO, ILLINOIS



United States Depositary

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	27,000,000

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30
June 14, 1912	28,433,836.35
September 4, 1912	31,041,482.12

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OLD NATIONAL OF SPOKANE IN EDUCATIONAL CAMPAIGN

Old National Bank of Spokane, Wash., has inaugurated a publicity campaign which is calculated to educate eastern bankers as to the exact geography of the Spokane country. Ignorance in regard to this subject has resulted in banking items on Spokane and contiguous territory reaching the bank in a circuitous manner, thereby entailing a loss of time which easily might be obviated if the natural geographical location of Spokane and its advantages as a railroad and distributive center in the vast and productive territory immediately tributary to it were understood better.

On a circular which the bank is sending out is a map of the Pacific Northwest, in which the Inland Empire is tinted and surrounded by a circle, with the location of Spokane prominently shown. There seems to be a tendency upon the part of some of the eastern bankers to associate Spokane with the Puget Sound cities, and some routings which have been received indicate that it even has been thought to be somewhere in the general region of Denver or Salt Lake City. As a matter of fact, Spokane is as far inland from the Pacific Coast as is Buffalo from the Atlantic. It is 339 miles from Seattle; 387 miles from Portland; 386 miles from Butte; 339 miles from Tacoma; 1,333 miles from Denver; 685 miles from Boise and 783 miles from Salt Lake. During the twenty years' existence of the Old National the bank has established direct correspondence with practically every banking town in this Inland Empire. This territory lies between the Cascade and Rocky mountains, and the contour of the country, railroad construction and established industries all combine to give Spokane undisputed commercial supremacy.

Spokane now is the greatest railroad center west of the Missouri River, being entered by five transcontinental lines, viz: Canadian Pacific, Northern Pacific, Union Pacific, Great Northern, and Chicago, Milwaukee and Puget Sound Railway; also by the Spokane, Portland and Seattle; Spokane Falls and Northern; Idaho and Washington Northern; Spokane and Inland; Washington Central and ten branch lines. There also are three hundred miles of interurban electric railroad in eastern Washington and northern Idaho.

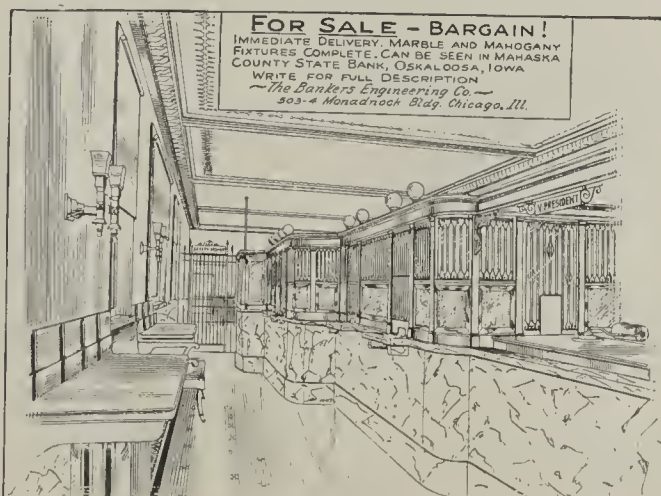
This Inland Empire which is depicted on the map sent out by the Old National is a natural and commercial collection district, more closely unified than any of the states contributing to its area of 150,000 square miles. Spokane, with more than 100,000 population, is the capital of this Empire—the financial and commercial center of a district abounding in cities and towns.

W. J. Kommers, assistant cashier of the Old National, says that this circular which is being issued, though complete in itself, is to

accompany each letter sent out to eastern banks wherein attention is called to a specific instance of bad routing. In this letter will be given the history of the actual routing of the check or draft, as gathered from the endorsements on the back of the item. In many cases the circuitous route can be indicated on the map by a blue lead pencil. In every case the actual number of days lost in transit will be given. Mr. Kommers states that in many cases items come to them after passing through a long chain of banks, traveling hundreds, and even thousands of miles needlessly and incurring a delay of from six to eight days. Delay in transit often is disastrous in cases of loss, for the courts still adhere strictly to the "due diligence" rule.

The plan adopted by the Old National is unique, and already other organizations have signified their intention of proceeding along similar lines. The Old National occupies a prominent position among the strong, progressive and up-to-date banks of the Pacific Northwest. It is capitalized at a million, has surplus and undivided profits amounting to \$480,756.96, and deposits well over nine millions. D. W. Twohy is president, T. J. Humbird, vice-president and W. D. Vincent, cashier. W. J. Kommers, J. A. Yeomans and W. J. Smithson are assistant cashiers. Mr. Vincent has been very prominent in state association matters and in the affairs of the A. B. A., recently having been elected a member of its executive council.

A meeting of the stockholders of the Citizens Trust Company, Savannah, Ga., has been called for September 26th, at which time action will be taken upon a proposed increase in the company's capitalization from \$100,000 to \$150,000.





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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

Charles C. Craig, president of the Bank of Galesburg, member of the Illinois Bankers Association's committee on agriculture and vocational education, and for many years prominent in the state legislature and in state politics generally, is said to be slated for election to fill the unexpired term of William Lorimer in the United States senate.

Should the state legislature become democratic as a result of the November election, Mr. Craig will have a good chance to go to Washington. He has a host of friends among Illinois bankers who, irrespective of party, believe him to be an able man for United States senator.

Crabtree's Honor Appreciated

Illinois down-state bankers are congratulating E. E. Crabtree, of the banking firm of F. G. Farrell and Company of Jacksonville, and former president of the Illinois Bankers Association, upon his selection as a member from Illinois of the executive council of the American Bankers Association.

Bumper Corn Crop Assured

Frost scares are about a nightmare of the past in Illinois, as most of the corn in the state is beyond damage from a light September frost. Of course, there are many late fields of corn, that is, corn planted late in the spring and sometimes replanted, which would be injured by a severe frost. The ten days of intense heat in early September carried a large proportion of the crop far beyond danger of light frost and farmers and bankers are rejoicing. Lower prices for corn are freely predicted and many voice the opinion that new corn will yet reach a price this fall ranging from thirty-five cents down to thirty cents. Farmers are naturally displeased with the lower figures but the latter is a natural result of a bumper crop. Potatoes, upon the eve of the hot part of the campaign, seem to be an uninteresting game compared to corn prospects, high-priced land and automobiles.

Illinois Notes

Jewelry valued at \$1,000 was stolen from the home of V. B. Elson, a Freeport banker, while the family were at lunch. Burglars entered the house unawares to the family.

Lee Harrington, a farmer wanted in Chicago, as well as in various points in Iowa and

Michigan, was recently arrested in Rockford while attempting to pass a spurious check of \$40.

A deal whereby eastern capitalists take over coal rights to more than 25,000 acres of Shelby and Fayette county lands, has just been completed by a local abstract company in Shelbyville. The syndicate which made the purchase intends, it is understood, to develop the coal deposits known to exist beneath the land in these two counties. There is also a good prospect that oil and gas may be found in paying quantities.

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

By W. W. Walton

Chicago Chapter, American Institute of Banking, will hold its annual fellowship meeting Tuesday evening, September 24th, in the Assembly Hall, Northwestern University building, this being the first meeting for the year 1912-1913. An excellent program has been arranged for the evening, consisting of short talks given by enthusiastic workers for the chapter, a few vaudeville sketches, music, cigars and a buffet luncheon—in fact, this meeting will be all that the name implies. A hearty invitation is extended to all bank clerks in the city of Chicago to attend this meeting. Admission will be by ticket only, and tickets may be obtained from the membership men in the various banks. A good time is assured all those who attend.

The educational features offered this year

are worth many times the tuition asked. James I. Ennis, LL.B., master in chancery, who has had extensive banking and legal experience, and who is also a member of the faculty of the Chicago Business Law School and of the Walton School of Accountancy, has again been engaged to instruct the class in commercial and banking law. The course will consist of twenty-five lectures on the following subjects: Contracts; Agency; Bailments; Property; Sales; Partnership; Corporations; Insurance, and Negotiable Instruments. In addition to the foregoing, a series of twelve lectures has been arranged for in Rhetoric and Composition. This is a practical course and should be taken advantage of by all bank clerks. Halsey H. Matteson, who has been an instructor in the educational branch of the central department of the Young Men's Christian Association, Chicago, for the past twelve years, and who is also a graduate of Oberlin College and a graduate-student of Johns Hopkins University, will conduct this class. Mr. Matteson will lecture on the following subjects: Purpose, Material and Method; How to Get Down to Work; Expository Writing; Word Usage; Dictation and Correspondence; Idiom, Improperities; Narration; Good Taste in Choice of Words; Description; Effectiveness in Sentence Building; Argument and Persuasion; Variety in Composition.

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Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

contact with young men who will act as a tonic, and who will stimulate their ambitions and desires, should join the American Institute of Banking. A young man starting out in life could have no better capital than a host of friends. His credit will be strengthened and they will support him in every unusual effort, and make him what he never could be unaided. Associate yourself with the Chicago Chapter, American Institute of Banking, and number some of the most talented young men in Chicago in your circle of friends and thus increase your capital and credit. They will not only help you in your profession as time goes by, but you will find them a valuable asset in many other ways. Become actively engaged in the chapter work and match your wits with your chapter-fellow. You may be rusty at the beginning, but this test will spur you on to greater things and in time you will be surprised to find that your efforts will have exceeded your expectations.

Clerks! Join the American Institute of Banking NOW!

Officers! You, too, are most cordially invited to join, and encourage your clerks to do so. The benefits to be derived will be mutual.

ATHLETICS, THE CHICAGO CHAPTER, A. I. B.—THE ILLINOIS TRUST TEAM WINS THE BANKERS LEAGUE CHAMPIONSHIP

By OTTO J. KRAMPIKOWSKY.

On Saturday, September 14th, at De Paul Field, the Illinois Trust team played the Continental team to decide the championship of the Bankers League. A vast throng was on hand and the rooting was started by the adherents of the Illinois Trust team, and was enlivened in the fifth inning when Geo. A. Jackson of the Continental in a commanding way stepped into the field and told the umpire what he thought of him. The score at this time stood 4 to 0 in favor of the Illinois Trust. Otherwise the game was very interesting and well appreciated by the baseball fans on hand. At the end of the ninth inning the score was

4 to 3 in favor of the Illinois Trust, who thereby won the championship of the Bankers League. Austin Walsh played the star rôle for the Illinois Trusts. Besides pitching a great game for his team, he drove in three runs, which figured in the winning of the game.

R. C. KELLER ON FINANCIAL SITUATION

R. C. Keller, vice-president and cashier of the Colonial Trust and Savings Bank, in commenting on the general financial situation, said:

General conditions appear favorable.

The last call by the comptroller and the state department reflected a much more satisfactory reserve condition in the West than in the East, showing that the western banks are well able to care for the moving of the very bountiful crops that are being harvested.

Rates may continue around 5½ to 6 per cent for the next three months, but I can see nothing to warrant continued high rates and an unusual demand.

While this is a presidential year, I do not think that business conditions are affected to any great extent by politics. It may reflect somewhat in the security market, but I think the exceedingly dull bond market has been caused somewhat by the fact that the foreign markets are carrying a considerable amount of undigested securities and underwritings, and naturally when money is in good demand, banks and trust companies do not buy.

GUARANTY TRUST OF NEW YORK

Meeting of stockholders of Guaranty Trust Company has been called for October 1st to determine disposition of the \$4,500,000 increase in capital stock, from \$5,000,000 to \$9,500,000, recommended by directors. Stockholders will be asked to ratify action of directors, taken at informal meeting last Wednesday, which recommended absorption of the Standard Trust Co. by the Guaranty Trust. Under the plan of merger the new stock is to be offered to stockholders at par, with the exception of \$500,000, which will be turned over to the Standard Trust Co.; stockholders of latter company will receive one share of Guaranty Trust stock for each two shares of Standard held, and in addition a cash dividend of \$20.

CORN EXCHANGE MEN HAVE PICNIC

The second annual outing of the officers and employees of the Corn Exchange National of Chicago was held at Glenwood Park last Saturday afternoon. Following an athletic program there was a chicken barbecue.

NATIONAL STATE AND CITY BANK, RICHMOND, VA.

National State and City Bank, Richmond, Va., organized in 1870, sends out an engraved announcement of the opening of their remodeled quarters at 11011 East Main Street on Tuesday, September 17th. This is the bank of which Julian H. Hill is cashier. Mr. Hill attended the A. B. A convention at Detroit.

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Steamship & Insurance Agents

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Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

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BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Oliver C. Fuller
Gustave Pabst
Patrick Cudahy
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

"The best meeting ever" is the verdict of Milwaukee delegates to the Detroit convention of the A. B. A. last week, who have been straggling back since the close of the convention on Friday.

Heard From Convention Delegates

Secretary George D. Bartlett of the Wisconsin Bankers Association started back with a trunkful of ideas picked up at the convention. But the trunk went wrong in Chicago and George has not succeeded in tracing its whereabouts yet.

The Wisconsin delegation has nothing but praise for the Battle Creek people who entertained the Badger bankers with a dinner on their way through to Detroit.

Assistant Cashier E. A. Reddeman of the Germania National is glad he preferred a regular hotel to a floating one. He returned with all his belongings whereas some of those who slept on the "City of Detroit" previous to its sudden departure charge that the floating hostelry hoisted anchor and sailed before they had a chance to remove portions of their wardrobe from their southern exposure rooms.

Whether the staterooms had southern exposure or not, the disgruntled ones threatened the company officers with some kind of exposure, direction to be optional.

The ladies of the party say they had a "perfectly de-lightful time."

Pittsburgh Bankers Visit Milwaukee

And while Milwaukee bankers went east to

Detroit, several Pittsburgh bankers came west on the "Pittsburg Special," stopping in Milwaukee all day Friday and late into Friday night. Robert D. Coard, manager of the bond department of the Mellon National, H. B. Powell, Jr., advertising manager of the same, and H. M. Landis, cashier of the Federal National, representing the smoky city banking interests on the trip, made a tour of Milwaukee's financial district and pronounced it good. The delegation was entertained by the Milwaukee Merchants and Manufacturers Association at a dinner in the Auditorium at night.

Group 5 to Meet at Fort Atkinson

The last of the group meetings of the W. B. A. will be that of Group 5 at Fort Atkinson on October 23d. This group is the only one meeting after the state convention in June. S. M. Smith, Janesville, is president, and H. L. Adkins, Elkhorn is secretary.

Two New Wisconsin Banks

Commissioner of Banking A. E. Kuolt has authorized two new banks to commence business. The Farmers and Citizens Bank of Watertown has \$50,000 capital. Officers are: President, Leonard Schempf; vice-president, H. Weitheimer; cashier, A. D. Poltz. The Rock County Savings and Trust Company of Janesville is capitalized at \$50,000 and is officered by the following: President, T. H. Jackman; vice-president, A. P. Burnham; cashier, C. H. Weirick.

Wisconsin Notes

By a deal closed this week, the Bradley State Bank comes under the control of Tomahawk business men. The new officers and directors are: President, John W. Froelich; vice-president, C. H. Grundy; cashier, F. P. Werner.

The Union State Bank of Lancaster will spend \$10,000 in improvements during the next six months. Aside from extensive interior decorations much new equipment will be added to that at present in the bank.

County Judge Sheridan has appointed the Citizens Savings and Trust Company as administrator of the estate of Mary Boelter and issued an order limiting the time for creditors to present claims, upon application of the heirs.

Reports from Marinette credit the Soo line with the purchase of the Wisconsin & Michigan railway in order to put up stronger competition with the Chicago & Northwestern and Chicago, Milwaukee & St. Paul roads for the freight business in the northern section of the state.

Farmers in the vicinity of Jefferson, who have just finished threshing one of the largest crops of barley and oats ever harvested, now say that the hot weather of September will be a factor in bringing about a record breaking corn crop.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

HAYNES McFADDEN OUTLINES PLAN FOR ELIMINATING CONFLICTING CONVENTION DATES

Haynes McFadden, secretary of the Georgia Bankers Association, outlined in Detroit last week a plan whereby conflicting convention dates may be eliminated. This expression is not to be taken literally, however, for it is quite obvious that if the dates of two states like Oregon and Florida were to conflict it would not make much difference. The proposition is to avoid conflicts within the limit of expediency and practicability. It applies chiefly to neighboring states where conflicts work an apparent disadvantage to all concerned. Mr. McFadden believes that the first secretary to make his arrangements in each subdivision of the country should take the dates which suit him best, and then notify his brother secretaries of his selection so that in arranging the time for their conventions they will be able to avoid conflicts. It is said by some that this plan is impracticable. It was followed by the South last year. The fact that of the forty-eight states over half of them have their conventions in May and June is advanced as an insurmountable obstacle. Ten conventions can be comfortably and conveniently distributed over a period of thirty days with a day intermission after each convention. Very few states spend more than two days at a convention, and if thirty states all should wish to meet within that limit of thirty days they could reduce objectionable conflicts to a minimum by a group system of states, arranged for the purpose of comparing notes only. Some states could report in two groups when so situated as to make that desirable or necessary, and all reports could be made on a postcard.

In arranging groups of states to conform to an already established standard, the districts as arranged for the National Reserve Association could be used; indeed, it would be hard to get a better geographical arrangement. Under this plan there are six districts composed respectively of the New England, Eastern, Southern, Middle, Western and Pacific states. In each of these six districts the secretary of each state could notify the other secretaries as soon as the annual convention dates had been selected. The most numerous district would be the South, where thirteen states would compare notes. A dozen postcards in each state would do the work and a smaller number would be required in each of the other five districts.

This year there were twenty-seven conventions held in the months of May and June. These naturally are the months in which the most annoying conflicts occur, and naturally are the months which should receive the greatest attention. In the two months in which conventions were the most numerous, the largest number held in any one district in any one month was six in the South in the month of May. The only conflict was between Tennessee and Arkansas, and that easily could have been avoided, which proves the value that this plan would possess in execution. Missouri and Mississippi, though in different districts, have many interests in common, and this year they met on the same dates. This could have been prevented by means of the postcard notices suggested.

Mr. McFadden believes that in arranging for convention dates the convenience of reserve city bankers should be taken into consideration. Many bankers are as much if not more interested in seeing their reserve agents than in seeing the members of the banking fraternity from their own state. With the system adopted by the South this year the attendance was augmented by twenty-five or more reserve bank-

ers in every state, and they contributed to the most successful season the South ever has experienced. The Georgia group meetings were held this year on consecutive dates. As a result of this there were a large number of bankers from other states present. The year before when the meetings were scattered, there were only two bankers outside of the state of Georgia at any one of the meetings.

Another objection to conflicting dates is the difficulty in securing desirable speakers. If a speaker can by making a trip of ten days, address several conventions, he is willing to make a greater effort to do so than he would be to address one convention. Then, again, if several conventions are held in one week, the space accorded to them in the financial papers necessarily is smaller than it would be if there were but one that week, for the other state associations are entitled to a similar amount of notice.

JAMES K. LYNCH PASSES THROUGH CITY

James K. Lynch, vice-president of the First National of San Francisco, a member of the A. B. A. executive council, and whose resolution introduced at Detroit produced the program committee, passed through Chicago Monday on his way home. President Huttig and Secretary Farnsworth no doubt will be glad to consult frequently with this program committee, which is made up of one member representing each of the sections.

FIRST TRUST AND SAVINGS OF ALTON

Among the thriving progressive banks of Illinois always must be mentioned the First Trust and Savings of Alton. The bank is capitalized at \$100,000 and has deposits amounting to \$329,832.28. H. L. Black is president. J. E. Kelsey and C. F. Herb are vice-presidents, D. A. Wyckoff is cashier and H. E. Busse, assistant cashier. Mr. Wyckoff is treasurer of the Illinois Bankers Association and one of the leading bankers of Alton. He has been an active worker in behalf of group, state and national organizations, and has had a valuable banking experience in Alton, his home city, having been connected with one of the older institutions of the city for many years, and more recently with the First Trust and Savings.



D. A. WYCKOFF
Alton, Illinois
Cashier First Trust and Savings Bank



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, September 18.—The past week has been one of activity with St. Louis banks, and activity of a satisfactory character, from the viewpoint of profit and loss. There has been an excellent demand for credits from all sources, with the feature an unusually heavy offering of commercial bills. The interior has been taking a large amount of currency, the volume of shipments for the week being the largest for the season to date, with excellent engagements for the next ten days or two weeks. Local banks have been disposed to confine their purchases of commercial paper to local concerns in a large degree, though numerous eastern bills, bearing tempting returns, have been for sale in this market. Rates hold firm, the extreme quotable range being from 5 to 6 per cent, which, with brokerage out, means something above the major figure to certain commercial borrowers. The character of the borrowing is extremely healthful, as there is no urgency shown in any quarter, but rather a strong inquiry, indicating solid growth and expansion in business. This city continues to be flooded with country merchants, whose buying is on a more generous scale than has been the case for more than a decade. One leading house in the dry goods jobbing line announced that its August sales were the heaviest for that month in the fifty-one years it has been in business. Scarcity of merchandise in first hands is proving about the only factor to hold down the volume of sales. In the cotton goods line this is especially true, and prices are likely to hold their present level, even should the present promise of the cotton crop be realized, owing to the scarcity of goods. The progress of crops in the Southwest and Middle West during the week has been excellent, and this is particularly true of corn. The recent hot weather was as if made to order for growth of the Indian cereal, and over a large area of the belt the crop is past danger from frost. Potatoes and all roots are progressing in good shape, and the Ozark fruit crop promises to break all previous records. Early fall farm work is well under way, and the reports of backwardness in the West, due to disease among farm animals, have been grossly exaggerated. The horse malady was confined to a relatively narrow area, and even there it is reported well under control.

Baron von Twimmer Here

Baron von Twimmer, son of the president of the Deutsche Bank of Berlin, which is largely interested in the Missouri Pacific Railway, was in St. Louis this week. The Baron, who is an admirer of American banking and commercial methods, visited several of the lo-

cal nationals, and was entertained by members of the local banking fraternity. He is now making a tour of inspection of the Missouri Pacific lines with President B. F. Bush of that system.

Betz with South Side Bank

At a meeting of the board of directors of the South Side Bank on Wednesday, Charles F. Betz was elected a member of the board, to fill the vacancy created by the death of Henry Koehler, Jr. Mr. Betz is president of the Columbia Pretzel and Baking Company and is besides a large owner of realty and interested in a number of large enterprises on the South Side.

Missouri-Lincoln in Suit

Two stockholders of the Missouri-Lincoln Trust Company, owning 250 shares, have brought suit to prevent the reorganization of the company and to have a receiver appointed. The action is directed against the board of directors, consisting of Albert Arnstein, William Bagnell, E. M. Bowman, W. F. Carter, C. C. Collins, John C. Roberts, Moses N. Sale, Thomas Wright and Fred G. Zeibig. At a meeting held in March a majority of the stockholders voted for reorganization, and according to the petitioners the new plan does not contemplate a distribution of the remaining assets, but proposes to make them the basis for a new institution. In the petition it is averred that the affairs of the company have been mismanaged and the assets wasted and sacrificed.

Quit Active Business in 1907

The Missouri-Lincoln went out of active business one Monday morning in September, 1907. Its assets were taken over by the Mercantile Trust Company, which latter company, backed by the St. Louis clearing house banks, guaranteed payment to all depositors of the Missouri-Lincoln. Assets of more than \$7,-

000,000 have been disposed of in the liquidation subsequent to the closing, and, it is claimed, there remain assets amounting to \$1,-800,000 and liabilities of \$800,000. The petitioners believe that if the company's affairs were wound up now, each share would receive \$40. Since the company went out of business the stockholders have not received a penny from their investments, and many of them have waxed weary with waiting and are now stirring restlessly.

Campbell Denies a Report

It was reported in a big daily here that James Campbell, St. Louis' richest citizen and a corporate poo-bah, was about to retire from the presidency of the North American Company. The report even went so far as to mention J. D. Mortimer, vice-president, as his successor. The next day, though, Jim's voice was heard, via long distance telephone from the East, denying the report. He said in most emphatic tones that he had no idea of retiring from the North American Company, or any other company. Someone was a—very much mistaken.

Banks Get Washed Bills

St. Louis banks this week received their first consignment of washed, germ-proof bills, turned out from Uncle Sam's money washing machines. The subtreasury there got a consignment of \$44,000 of the renovated currency, in ones and fives, which were dished out around to the various banks. According to Ralph P. Johnson, cashier of the subtreasury, the bank tellers like the bills all right, though some of them are skeptical about the success of the washing proposition. The bills feel queer, and have a peculiar odor.

Want Bank Law Changed

Advices from Oklahoma are to the effect that the bankers of that state are not entirely satisfied with the bank guaranty law. This fact has been emphasized since the recent convention of the Oklahoma bankers convention at Oklahoma City, and a concerted effort is being made to create sentiment in favor of transferring the cost of keeping the guaranty fund intact from the bankers to the paying public. The bankers argue that the guaranty law is for the protection of the entire public, and if the public wants the protection they should be willing to pay the premium. As the law is, each state banker is assessed a percentage upon his deposits annually, and in addition is subject to an additional assessment whenever the guaranty fund is depleted below a fixed amount.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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Capital and Surplus
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BERT L. HASKINS, Cashier

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Resources, Twenty-five Million Dollars

Capital
\$2,000,000

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\$2,000,000

NATIONAL BANK
3rd
OF ST. LOUIS

Deposits, \$35,000,000

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CHICAGO

BOARD OF GOVERNORS OF INVESTMENT BANKERS MEETS.

A meeting of the board of governors of the newly formed Investment Bankers Association was held yesterday afternoon at the Union League Club. At this meeting President George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, announced a list of the various committees which will run the business of the organization. Committees on membership, legislation, publicity and domestic relations, revision of constitution and by-laws, finance and auditing, foreign relations, railroad bonds and equipment notes, industrials and miscellaneous stocks and bonds, public service corporations, municipal bonds and on the program for the annual meeting, were appointed by President Caldwell.

In addressing the board of governors Mr. Caldwell said:

I desire to congratulate the members of the board of governors on the large number of applications received for membership in our association, as well as on the high character of the firms that have so far been approved by the membership committee. In a new organization of this kind, we, of course, cannot be too careful as to our membership and to that end several applications have not, as yet, been passed upon favorably by the membership committee, some further investigation being necessary. It is also true that some applications will be received that will not pass the approval of the membership committee, so far as their business standards are concerned, and on this subject we must have the fullest discussion and final instructions from the board of governors at this time.

It has been my hope that the Investment Bankers Association will stand for both "re-

sponsiveness" and "responsibility." "Responsiveness to the capital demands of legitimate industry; responsibility to those to whom the bankers must look to provide the capital supply, or, in other words, those who are expected to buy our securities. The value of membership in this association is primarily the influence which said membership will have upon the mind of the investing public regarding the stability, financial responsibility and general high character their membership implies. So far as the investing public is concerned, members of this association are distributors of securities which legitimate business creates. The problem of this association is how effectively to inspire the public with confidence that a recommendation of a security by any member of this association is a guaranty of its reliability, and further, how to educate the public to know that the greatest protection from sharp practice which the public can have is through their dealing with the members of this association. When the Investment Bankers Association has done this, it will become a vital force before the investing public of the United States and will have reached a point where membership in the association is very valuable and practically essential to anyone who desires to carry on a legitimate bond business. It would, in my judgment, also draw members of the association closer together—those within the fold would be in greater sympathy, because each day they could see the association was exerting a powerful influence for their benefit, and those without the fold would have before them an inspiration to do legitimate business and become members.

It has also occurred to me that the Investment Bankers Association need not necessarily be confined to the United States. A

representative of the London Times and of the London Daily Mail, which has the largest circulation of any daily paper in Great Britain, will, I am told, with the proper encouragement from the Investment Bankers Association, make membership in the Investment Bankers Association the standard for American advertisers. Now, it seems to me that if this publication can be interested along these lines that the majority of the reputable publications in the United States could be brought into line in the same way. I therefore think it important that we consider at this time the best plan to accomplish the above results, and I suggest for your discussion and approval the following synopsis for our first year's work.

First, that our association should secure, if possible, the co-operation of all the editors of publications furnishing financial information. The argument is, as I believe everyone will concede, that the bulk of investment news which at present reaches the public is oftentimes most inaccurate and unsatisfactory. I have reference especially to the news furnished by popular magazines maintaining "investment departments for general investment comment." Of course, there are splendid magazines and papers of great accuracy, but these magazines are not the ones that are of popular circulation. The magazines which we read for financial news the general public hardly know exist. Now, the editors of all publications are no doubt anxious to print, if any at all, intelligent and accurate financial information, and one of the problems for us to solve is to find a way in which all this can be turned to the benefit of the Investment Bankers Association membership, and by them to the benefit of the investing public. I believe it

(Continued on page 31)

Editorial Comment

REFORM PLAN DISREGARDED AT DETROIT

Bar a place on the program, the plan of the National Monetary Commission to reform currency and banking was a "last year's style" at the Detroit convention. There neither was discussion nor action and to some, perhaps, the situation was discouraging. Advocates of the plan consider the news from Detroit disappointing in that it appears to show a lukewarmness that had not been expected. While it is true that the most prominent figures in the banking reform movement have appeared to be business men and not bankers, it is a fact that leading bankers have been influential in sustaining the movement during the past year or two and in shaping its course. If they are to give up or lessen their support or encouragement it is feared that attempts to get legislation could hardly succeed. But the one short session of congress remains between now and the expiration date set for the Aldrich-Vreeland act and many fear that it even may not be extended. Much less do they expect any new legislation to replace it as a panacea for panics on the statute books. Workers are downhearted. Currency reformers in congress are divided. Unless a junction of the different groups can be effected in the near future the current belief is it will not be possible to meet the hostility of the radical element, which is well organized and aggressive as well as determined to force through some scheme of its own during the coming winter, if possible. The attitude taken by some of the influential bankers, that it will be as well to let matters drift during the short session and await the coming of a new congress, is considered dangerous. It is pointed out that unless this present congress can be committed to some definite program it will be hardly practicable to get much done at the next session. Experience shows that action taken at a long session is usually the result of pledges given by a political party in the shape of tentative legislation at a preceding short session. There is a general expression on the part of those who believe the fight for banking reforms should be actively continued that the work henceforward to be done should be based upon a simple bill or perhaps upon a series of simple propositions put forward without recommending any bill whatever in set terms. This plan of action would serve to keep the campaign open, thereby affording a basis of opposition to radical schemes and enterprises on the part of extremists in congress. At the same time this would furnish a beginning for banking reform and would at least take the first step toward thorough and inclusive action that might be had later. It would lay the foundation for a comprehensive plan to be adopted in the future if it did no more. The political platforms present no plan, only time-worn platitudes finding a place in those documents.

The Chicago Banker

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

In the meantime let all bankers be upon guard. An opportunity may yet present itself. Some yet expect Governor Wilson to come out in favor of sound legislation on this most vital of subjects.

CLOSE RELATIONSHIP OF BANKERS

Some of those misguided individuals who are loudest in their denunciations of the alleged money trust, point to the close relationship and acquaintanceship which frequently exist between big bankers as "prima facie" evidence that there exists such a trust—or, as some choose to term it—a conspiracy, the tenor of which is that only a select few are enabled to secure a sufficient amount of money adequately to finance the various business propositions in which they may be interested. To one at all versed in banking and financial matters the utter fallacy of such a line of reasoning is quite obvious. This intimacy between the heads of large financial institutions is calculated merely to bring about improved business conditions. By means of this association each banker is enabled, with the aid of the experience and judgment of his fellow-bankers, better to determine the wisest investments for the funds of which he is the custodian, and thereby to insure to the depositor the safekeeping of his moneys, the paramount object of the bank. It is contended that conferences regarding the extension of credit have a tendency to create prejudice against certain unfavored classes of investments. It is, however, difficult to detect any element of logic in this argument, for if an investment is unsafe for one bank, there can be no doubt but what it will be unsafe for all banks. It is because the bankers have confidence in each other that they are able to co-operate with each other, which is reflected beneficially to the depositor, a fact apparently lost sight of by that class which interprets any such attempt as a plot to control the extension of credits. Those who are inclined to narrowness of view should read and study the papers offered at the Detroit convention by George M. Reynolds of this city. He also showed lack of restricted or localized environment in his generous tribute to the way New York bankers handle their resources in times of currency stringency. Mr. Reynolds opened a way for a better western appreciation of east-

ern integrity and good sense and for a public modification of money trust antipathies.

SUPERVISION THE ISSUE AT PEORIA

Just as registration and voting are your plain duty, so is your presence, if you are an Illinois banker, at Peoria next week demanded. Questions vital to soundness of banking will be acted upon. You have no moral right to dodge, nor any moral right to oppose bank supervision because you are a big banker and have deposits from non-supervised banks. No quibble about the "legality" of the Dawes committee appointment will avail if the Illinois bankers really want to go on record for state supervision. Banking in Illinois should be made so safe that no depositor could ever lose a dollar. Special pleaders will tell you that the private bank deposits are insured by "the whole wealth and resources of the owners," and not limited to "double liability" as in corporate banks. Of course the crux comes on "the whole wealth" of the owner. If the owner is wealthy he easily can pay up a capital to protect his depositors and he can satisfy depositors also that he has a capital and that it is intact by submitting to examination. Tax evasion will be more difficult under supervision but who wants to vote to help protect the tax-dodger. Tax dodging isn't honest, and a banker should be honest.

As to statistics which go to show that supervised banking is the safer of all competing kinds, there is an abundance. Most of the states have adopted the advanced doctrine of supervised and safe banking and not one which ever has taken the step has gone back to the old practices of go-as-you-please banking. The newer states went on record first and their elders followed suit until now Illinois and but four other states remain open territory where it is easier to start a bank without capital than to rob one.

Over in Indiana seven private bankers fought supervision, as a committee, for three years. The week the new law went into effect, five of the seven closed up—unable to stand the first examination.

In Wisconsin reports show no failures under the new law and that all converted banks prospered greatly beyond their history as private institutions. This is true in other states such as Minnesota, Missouri and Michigan. Supervision is to a bank what the life-raft is to the steamer. Boat owners complain of the harsh provisions of the law and in New York some boats have gone out of commission because built to evade the law and consequently unable to carry 100 per cent life-saving equipment as required. Let every Illinois banker who can, attend the Peoria convention and vote for what he knows to be the only safe banking plan—a plan which includes known shareholders, known capital and known condition. The depositor is entitled to know.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☛ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☛ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

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The Minnesota Loan and Trust Company

AGRICULTURAL COMMITTEE MEETS AT DETROIT

A meeting of the members of the committee on agricultural and financial development and education was held in Room T, Hotel Ponchartrain, convention hall floor, on Monday of last week in Detroit. Joseph Chapman of Minneapolis, chairman of the committee, presided. Edwin Chamberlain of San Antonio, Texas; B. F. Harris of Champaign, Ill.; Joseph G. Brown of Raleigh, N. C.; W. D. Vincent of Spokane, Wash., and E. J. Curtin of Decorah, Ia., members of the committee were present. Ambassador Myron T. Herrick, representing this country in France, was the only absentee. In addition to the members of the committee present the following delegates and visitors to the convention attended this conference: W. M. Van Deusen, cashier National Newark Banking Company, Newark, N. J. (Mr. Van Deusen also is president of the New Jersey Bankers Association); E. L. Howe, vice-president of the Princeton (N. J.) Bank, a member of the executive committee; R. E. James, president of the Easton (Pa.) Trust Company; George E. Lawson and F. H. Williams of Michigan; David H. Walker of Iowa; H. P. Beckwith of North Dakota; Messrs. Fort and Collins of Tennessee; Breckinridge Jones, president of the Mississippi Valley Trust Company, St. Louis; Chandler Starr, president of the Rockford (Ill.) Clearing House; H. E. Otte, vice-president of the National City Bank of Chicago; W. W. Bowman, secretary of the Kansas Bankers Association; J. R. Noel, president of the North West State Bank, Chicago; McLane Tilton, Tell City, Ala., secretary of the Alabama Bankers Association; Lewis E. Pierson, president of the Irving National, New York; E. W. Abbott, agricultural expert, Detroit; George E. Allen, educational director for the American Institute of Banking; Arthur Reynolds, president of the Des Moines National; M. H. Malott, president Citizens Bank, Abilene, Kan., president of the Kansas Bankers Association; J. W. Wheeler, vice-president Capital National, St. Paul; Charles Shade, president of the Iowa Bankers Association; William George, president of the Old Second National, Aurora, Ill.

William G. Edens, secretary of the agricultural committee of the Illinois Bankers Association, was made secretary of the conference. Chairman Chapman called the meeting to order and told briefly of the success of the Minneapolis conference of agriculturists and educators, held August 7th and 8th, and exhibited an advance copy of the printed proceedings of the conference, which report later on was referred to in the A. B. A. convention as the "Farmers' Bible." Mr. Chapman said that 25,000 copies had been authorized by the conference, and that they would be circulated

through the assistance of the secretaries of the various state organizations, also that a circular would be sent to each of the members of the agricultural committees of the state bankers associations, outlining what is being done by the committees on agriculture and education in each of the states where this work is in progress. Mr. Chapman submitted his report as chairman of the A. B. A. committee, which was enthusiastically received. Messrs. Starr and Harris of Illinois told of the work in progress in that state, and Mr. Allen of New York spoke for the Empire State. Mr. Beckwith of North Dakota told of the work of their better farming association and of the pride the bankers of that state felt at having won the silver cup awarded at the Minneapolis conference to the state bankers association which had made the greatest headway in actual accomplishments. Edward Chamberlain, the member of the committee who recently visited Europe, tentatively reported on the land mortgage, or farm financing, as engaged in by the various French and German organizations interested in this subject, while Breckinridge Jones of St. Louis gave his views with respect to the work of the committee.

At the meeting of the executive council held in the convention hall on Friday afternoon, September 13th, on the recommendation of Joseph Chapman, chairman of the committee, George Woodruff, president of the First National at Joliet, Ill., was added to the A. B. A. committee on agriculture and financial development and education. Mr. Woodruff had reported to the A. B. A. convention his firsthand impressions gained from extensive investigation of the subject while in France, England and Germany, and so favorably impressed the convention with his presentation of the subject that the members of the council

were unanimous in their endorsement of the Chapman recommendation.

The Illinois Convention

The twenty-second annual convention of the Illinois Bankers Association will be held in Peoria on the 25th and 26th of this month. Assembly day will be Tuesday, the 24th. Registration and headquarters will be conducted at the Jefferson Hotel, mezzanine floor, registration beginning at one o'clock, the 24th. At six o'clock on Tuesday the group dinners will be held, to which all are invited. Reservations can be made through the group secretaries and John C. Paddock. The executive council meeting and dinner will occur at the same hour in the Indian Room, Jefferson Hotel.

On Wednesday morning there will be addresses by President Harris, Dr. George E. Vincent, president of the University of Minnesota, and H. E. Miles, chairman of the educational committee, National Association of Manufacturers, Racine, Wis. Prof. Vincent will talk on education and national efficiency and Mr. Miles will talk on the subject of vocational education. On Wednesday afternoon Harrington Emerson of La Porte, Ind., will tell of business efficiency in relation to finance and industry and J. N. Dolley, the famous banking commissioner for Kansas, will tell about supervising "Blue-Sky" investments. Will B. McIntyre of the Peoples National, Rock Island, will give a talk which is on the program under the head of "Bumps."

Thursday morning will be an agricultural session. Dr. William O. Thompson, president of the Ohio State University, Columbus, O., Prof. W. G. Eckhardt, consulting agriculturist De Kalb county, Charles A. Conant of New York and Hugh S. Magill, Jr., of Princeton are billed to make addresses. Dr. Thompson will talk on agriculture and the problems of rural life; Prof. Eckhardt will tell what they do in De Kalb. Mr. Conant will talk on land and land credits; he made a similar address at the recent convention of the American Bankers Association held in Detroit. Mr. Magill will tell of the great opportunity for organization.

Thursday afternoon will be devoted to the subject of good roads. Jesse Taylor of Jamestown, Ohio, will tell how to get good roads; S. E. Bradt, chairman of the good roads committee of the association, has chosen for his subject "The Solution of Illinois Road Problems." The Hon. Percival G. Rennick, collector of internal revenue, Peoria, is down for an address entitled "Talk—That's All."



**CAPITAL
\$2,000,000.00**

**SURPLUS
\$1,000,000.00**

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ☛ Your account carried on the books of a solid, conservative bank adds prestige to your name. ☛ Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

The Illinois National Bank OF PEORIA

United States Depository

Our superior facilities are at the disposal of our correspondents. Banks contemplating opening either an active or an inactive account will find it to their interest to take the matter up with us.

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WM. C. WHITE	-	-	-	President	C. A. ANICKER	-	-	-	Cashier
A. S. OAKFORD	-	-	-	Vice-President	C. J. SEEHAAS	-	-	-	Assistant Cashier
FRANK FISCHER	-	-	-	Vice-President	T. H. FUCHS	-	-	-	Assistant Cashier

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A. W. WILSON, President Wilson Grocery Co.	JOHN C. STREIBICH, Wholesale Paper and Office Supplies
C. C. MILES, P. B. & C. C. Miles, Grain Dealers	HENRY G. KUCK, Stuber & Kuck, Manufacturers of Tinware
E. M. CHANDLER, E. M. Chandler & Co., Live Stock Commission	NICHOLAS ULRICH, Farm Loans
	WM. C. WHITE, President

PEORIA, THE CONVENTION CITY

(Continued from page 1)

The growth of Peoria as a retail center has been remarkable. Business enterprises which a few years ago occupied small and unpretentious quarters, now occupy whole buildings. From the standpoint of quantity and quality, the diversity of goods, the efficiency of service, and the artistic display of merchandise, Peoria stores are excelled by none, and in many instances are not equalled even in the larger cities.

The city's area is 9.4 square miles, and its

population, including suburbs, 115,029. The assessed valuation for 1911 was \$21,829,266. There are twenty public school buildings, representing a total expenditure of \$1,250,000, with 325 teachers and 9,600 pupils. In 1911, \$500,250 was appropriated for educational purposes. The city also boasts of two colleges—Bradley Polytechnic Institute and Spaulding Institute for Boys. There are two public libraries and prospects of obtaining another. The eighty-four churches cost about \$1,600,000.

Not the least among the prosperous institutions of Peoria are its banks, of which there are ten, with combined capital of \$2,420,000, surplus, \$2,097,630, deposits of \$21,891,890 and loans of \$21,182,925. The total clearings for 1911 were \$161,223,684. Commercial German National leads in deposits with \$5,107,240, the First National is second with \$3,794,990, and is followed by the Central National with \$2,456,510, and the Savings Bank of Peoria, with \$2,133,200. Dime Savings and Trust Company, Home Savings and State, Illinois National, Merchants National and State Trust and Savings are close behind the leaders in the matter of deposits. Walter Barker is president of the Commercial German National; C. R. Wheeler is the head of the First National and R. W. Kempshall and H. Hedrich, respectively, are presidents of the Central National and the Savings Bank of Peoria. G. W. Curtiss, Valentine Ulrich, William C. White, Fred Luthy and E. A. Strause are presidents of the Dime Savings and Trust, Home Savings and State, Illinois National, Merchants National, and the State Trust and Savings banks. G. W. Curtiss also is president of the Peoria Clearing House. C. E. Ulrich, the vice-president, occupies the same position with the Home Savings and State Bank, and William C. White is secretary and treasurer

of the clearing house. All of these institutions are members of the state and clearing house associations.

The Peoria Association of Commerce has had much to do with promoting the civic welfare of the city. Its objects and purposes are to encourage the moral, social, educational, commercial and industrial conditions of Peoria, and to secure the co-operation, as of one body, of all individuals, and all educational, professional, commercial and industrial organizations; to gather and distribute business,



WM. C. WHITE
Peoria, Ill.
President Illinois National



WM. HAZZARD
Peoria, Ill.
Cashier Commercial German National

social and economic information and statistics; to promote equitable principles of trade and commercial integrity; to give opportunity for acquaintance among citizens for free interchange of views, and to secure concerted action in matters of public interest; to consider and correct abuses growing out of public service, and to encourage all men to submerge individual interests and desires that conflict with civic development. The association has identified itself with a vast number of movements looking to the improvement of the city. They have interested themselves in the good roads movement now being carried on so extensively throughout the state. On September 27th, immediately following the bankers' convention, the Illinois Highway Improvement Association, which had its inception at the Sherman House in Chicago last March, will hold a good roads convention, which will be in the nature of a conference, and at which advocates of good roads will determine upon a course of procedure which is calculated to give Illinois a standing in the matter of highway improvement consistent with its agricultural, business and social supremacy. At this conference Warden Thomas B. Tynan of the Canon City (Colo.) state

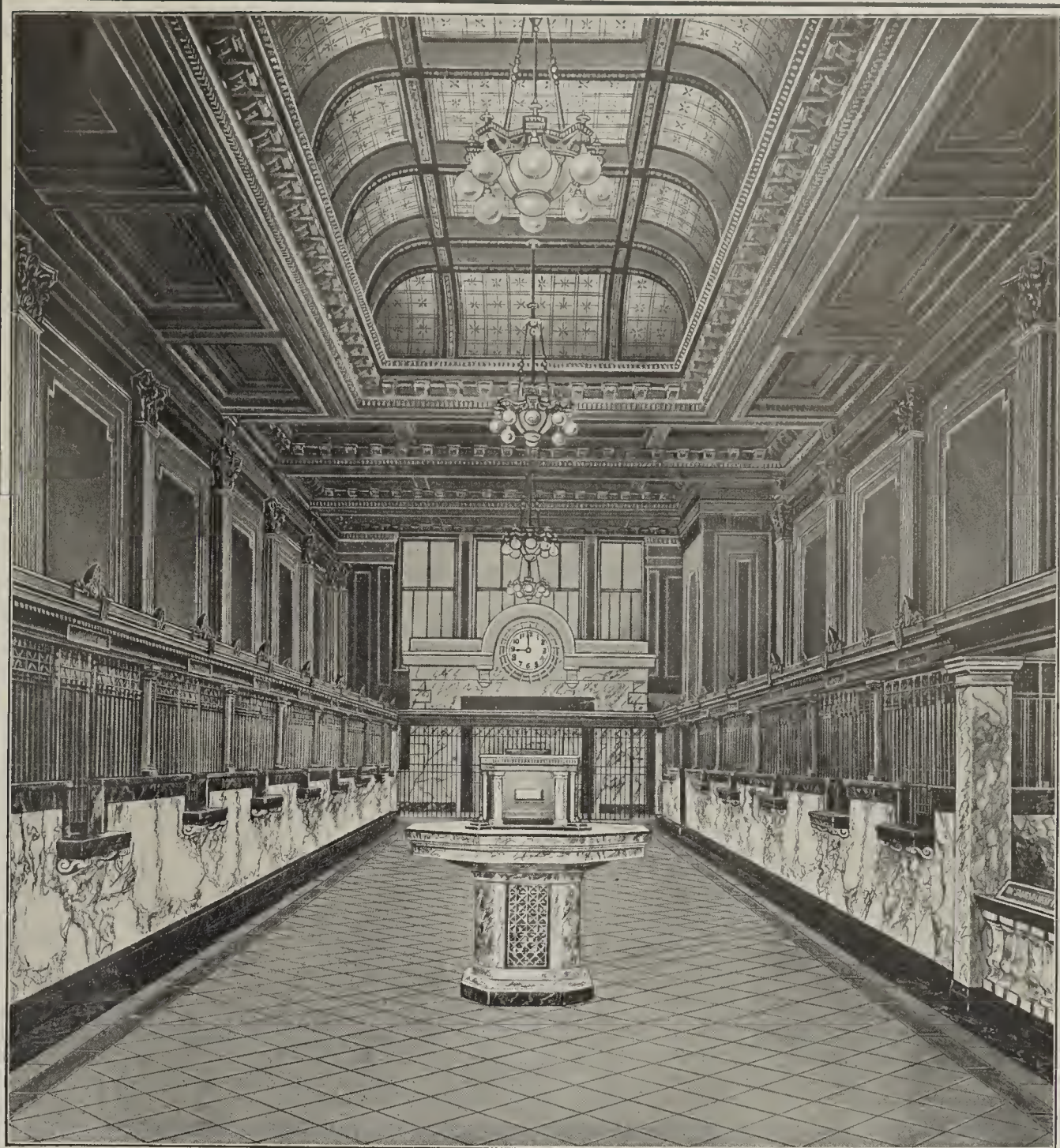


JEFFERSON STREET
Peoria, Ill.

prison will be the principal speaker. Mr. Tynan was prevailed upon to address the good roads enthusiasts by William G. Edens, assistant secretary of the Central Trust Company of Illinois and president of the Illinois Highway Improvement Association. Mr. Edens recently visited Colorado, and in company with Warden Tynan, inspected the convict-built roads of the state. Mr. Tynan uses moving pictures in connection with his lecture, showing the men at work, their camps, etc. The delegates and visitors will be entertained by the business men of Peoria. W. E. Hull is chairman of the committee having charge of the arrangements.

There are numerous points of interest in and about Peoria which will prove to be of extreme interest to the traveler who enters the portals of this hospitable municipality. No city in the world possesses a system of parks which is kept up better. The parks and parkways comprise 425 acres, the property being valued at \$3,500,000. Grand View drive is 14,632 feet long and 100 feet wide. From this drive can be seen the Illinois River, and on a clear day, with a good glass, Henry, forty miles distant, is visible. This view is spoken of as rivaling the "cañon of the Colorado," the Potomac view from Mount Vernon, the Hudson and famous Switzerland scenes. A very fine view of the surrounding country can be obtained from the top of the Observatory tower at Grand Point, near the Peoria Country Club. A beautiful monument of granite and bronze is located in the Court House Square, erected by the women of Peoria in memory of the soldier and sailor dead of Peoria county, at a cost of \$40,000. Near this monument is situated the Lincoln and Douglas debate tablet, unveiled in 1911.

The innumerable points of historic interest,



NEW BANK BUILDING, 210-212 SOUTH ADAMS STREET

The Oldest National and the Oldest Savings Bank in Peoria

First National Bank

ORGANIZED 1863

C. R. WHEELER, President
WM. E. STONE, Vice-Pres. and Cash.
GEO. M. BUSH, Asst. Cashier
A. W. BENNETT, Asst. Cashier

Savings Bank of Peoria

ORGANIZED 1868

H. HEDRICK, President
E. H. WALKER, Vice-President
F. B. WEBER, Cashier

Capital, Surplus and Undivided Profits, \$1,200,000.00
Resources Exceed \$7,500,000.00

VISITING BANKERS ARE CORDIALLY INVITED TO CALL ON US

public buildings, edifices dedicated to educational progress and development, the pleasing scenery, and last, but not least, the spirit of hospitality and good fellowship, coupled with a wide-awake, aggressive and intelligent effort to promote civic welfare and bring to Peoria her full share of prosperity and happiness, all combine to render a stay within her limits highly enjoyable and profitable.

At the recent annual meeting of the Temple State Bank, Temple, Tex., James E. Ferguson was elected president, J. K. Campbell cashier, and C. E. Maedgen, assistant cashier.

STATE SUPERVISION

(Continued from page 1)

one-third each of the three classes of banks, the national banks being the smallest in numbers and the private banks the largest. Originally there were two bankers' associations in Illinois; viz., Private Bankers Association and Bankers Association of the State of Illinois. At the request of the latter, which is the present association, it was proposed that the two associations unite and consolidate. This was brought about in the year 1894, under a solemn compact and agreement which essentials were embodied in the constitution pro-

THE COMMERCIAL GERMAN NATIONAL BANK OF PEORIA, ILLINOIS

Capital, \$750,000

Surplus and Profits, \$750,000

Resources Exceed \$7,000,000

☞ *Accounts of Banks and Bankers invited.*
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OFFICERS

WALTER BARKER - President
JOHN L. FLINN - Vice-President
JOHN FINLEY - Vice-President

WM. HAZZARD - Cashier
WM. B. REED - Assistant Cashier
W. M. WOOD - Assistant Cashier

viding that at least one-half of the officers and executive council shall be private bankers, and that a committee of five private bankers shall be appointed annually whose duty shall be to guard and protect the interests of private bankers. As time went on objection was made to the provision for one-half of the officers and executive being elected from private banks and for the sake of harmony and in the general interest of the association the private bankers last year consented to a change in the constitution, whereby this distinction was eliminated, which weakened the power of the private bankers in the association. No sooner was this accomplished and Mr. Harris elected as president, than he started the agitation to bring about the destruction of the private banks.

"Why should the corporate bank members of this association aid in bringing this about? Is there any more reason to-day why the private banker should be forced out of business than there was when the consolidation of the two associations took place? Is it honorable to invite consolidation and then destroy them later on when the weaker element in the association becomes the stronger? Is the banking business any more of a public nature to-day than it was then and for this reason needs incorporation now and not then? Is corporate banking of so much safety to the public that it should monopolize the entire banking business? Why did the framers of our state constitution provide that the legislature should not pass any law for incorporating banks that would be effective until it had first been submitted to a vote of the people for ratification, if they thought corporate banking was entirely free from objection? Did not the fact that the limited liability of the stockholders and the past bitter experiences with corporate banks have considerable to do with it?

"The blot and stain of bad banking is confined to no one class of banks. The fact that the private banker has everything at stake to back up his business is considered by many as equal if not superior as a guaranty of safety to any examination that can be made by an official, who is usually a stranger to local conditions, can possibly be. It is no answer to say that some who start private banks never had anything at stake. The same thing shows



COMMERCIAL GERMAN NATIONAL BANK
Peoria, Ill.

up in corporate banks. Law is not a cure-all. Defects in human nature will show up in spite of laws and will ever continue to do so. The report of the Dawes committee assumes that the people cannot discriminate for themselves what kind of a bank they should do business with and should be compelled to patronize corporate banks only. Mr. Harris seems to think that in agricultural communities where there is no bank other than private that the farmers should be compelled to go into the banking business by taking shares in a corporate bank or go without banking facilities. This is his idea of American liberty. In one-bank towns, if it is a private bank only and the people are not satisfied, it is an easy matter for them to organize a corporate bank, and in large cities where it is claimed the private bank evil is the greatest, there are plenty of corporate banks to patronize, and more being organized all the time, some of which are little more than branch banks of the central districts.

"The question for this association to decide is, whether they want to change this association from a bankers association to a corporate bankers association. Do the needs of the state demand that all banks shall be incorporated? Are the exigencies of the case so great that the long recognized right of the individual to engage in business as an individual should be surrendered? Is corporate banking the only kind this association is going to longer recognize? We are not a legislative body and must submit our wants to the legislature for approval. Do you think a recommendation of this kind will be looked upon as free from selfish motives and is for altruistic purposes? Will it not look more like an attempt to get control of the banking business of the state? Will not the association be accused of attempting the organization of a

trust or monopoly which will likely bring upon the banking business of the state harsh and unjust laws? Does it not smatter too much of class against class and entirely destroy the primary purposes and object of this association? Why must we come to the parting of the ways and the long years of close association be severed? Can this association no longer continue part corporate and part private? Is greed, intolerance and selfishness the back of it, or is it mere blindness upon the part of those who believe that the day has come when individual effort along individual lines must be merged in corporate action?

"The comptroller of the currency, in his report for 1911, gives the number of failures of state and private banks during the year ending June 30, 1911, as follows: Total failures, 56. State banks, 28, with liabilities of \$12,678,697; private banks, 22, with liabilities of \$3,150,750. Four savings banks and two trust companies also failed. Number of national bank failures not given.

"The comptroller in this report states that subsequent to the year 1896 statistics are wanting relating to the settlement of the affairs of failed state and private banks, making it impossible to give the amount and rate per



SHOPPING DISTRICT
Peoria, Ill.

cent of dividends paid to creditors. Yet Mr. Harris in a reported speech before the Chicago Association of Commerce, gave what he calls statistics to show a ridiculous situation of private banks as compared to corporate banks. Corporations do not possess all the virtues and advantages that our distinguished president claims for them. Brought up under the shadow of their greatness he has lost sight entirely of the needs of the smaller communities. There is a place for all and this great association cannot afford to have an impression go out that it is willing to destroy one class of banks to give a monopoly to others.

"The people themselves will act when they think it is necessary. Why fear them? Why use the threat that unless we act, some dire legislation is in store for us? This argument is too old and threadbare to be used by a real live progressive. Our mission should be to guide and direct, not to force and drive. We, as an association, are organized for mutual benefit and not for the purpose of putting one class of our membership out of business. Our constitution, which has been recently revised, still provides for the appointment of a standing committee whose purpose and object is to protect the private banker's interest. Why should our president undertake to override its duties and functions? The fact that this committee is a constitutional one puts the private banking interest in its control and is not a matter to be taken up by the association as a whole. Was this compact and constitutional provision made simply to be broken and not as a guarantee of protection to the private banks? If so, why a constitution at all? Is this association going to substitute the rule of the majority in place of its constitutional limitations? If it so acts in its own affairs, what confidence can the public place in its recommendations?

THE

Merchants National

Bank

PEORIA - - ILLINOIS

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President

Henry Sandmeyer
Vice-President

Frederick H. Smith
2d Vice-President

John C. Paddock
Cashier

Thos. D. McDougal
Assistant Cashier



Directors

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The Avery Company

VALENTINE JOBST, JR.
V. Jobst & Sons, General
Contractors

EDWARD C. LEISY, Pres.
The Leisy Brewing Co.

S. L. NELSON, Vice-Pres.
Peoria Railway Company

GEORGE T. PAGE, of Page,
Wead, Hunter & Scully,
Attorneys

HENRY SANDMEYER,
Pres. Peoria Stone and
Marble Works

FREDERICK H. SMITH,
Capitalist

FERD. LUTHY, President

THOS. D. McDOUGAL
Assistant Cashier

STATEMENT OF CONDITION SEPTEMBER 4, 1912

RESOURCES	LIABILITIES
Loans and Discounts .....\$1,341,480.57	Capital Stock paid in.....\$ 200,000.00
U. S. Bonds to secure Circulation... 200,000.00	Surplus and Profits..... 211,873.46
U. S. and other Bonds to secure	Circulation 180,650.00
U. S. Deposits 360,000.00	Dividends Unpaid..... 69.00
Premiums on Bonds..... 10,000.00	Deposits 1,930,906.01
Banking House and Real Estate.... 65,938.12	
Cash and Sight Exchange 546,079.78	
\$2,523,498.47	\$2,523,498.47

This strong bank is fully equipped to serve its patrons promptly in any capacity consistent with conservative banking. Accounts of banks, firms and individuals invited

It is time to stop and consider. Those who expect fair play and a square deal must be willing to give a square deal and play a fair game. Is such a law as is proposed for the public interest or is it for special interests? This controversy should be decided by the wisdom, justice and good judgment of the members of this association.

C. H. Condit, of Winchester, Chairman,
H. G. Henry, of Camp Point, Secretary,
W. E. Colburn, Chicago,
Hugh Murphy, Waterloo,
E. D. Cameron, Sibley, Committee.
Chicago, Ill., September 9, 1912."

Open Letter from Private Banker

Charles W. Wilson, president of the Farmers and Merchants Bank, at Stewardson, wrote to President B. F. Harris what he must have thought to be a most convincing reply, for he had it printed as an open letter and sent to all private bankers in the state with the advice, "please do your duty." Mr. Wilson says:

Dear Sir:

Your printed communication of the 10th inst. is at hand and contents fully noted, and in reply beg leave to state, that I seriously ob-



**"My,
but I've had
a good night's sleep!"**

Felt tired last night—but feel fine this morning. I'll do two days' business in one—thanks to the "Water-Level Route" and the

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The over-night train to New York
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CENTRAL
LINES**

The Central National Bank OF PEORIA

Main and Adams Streets

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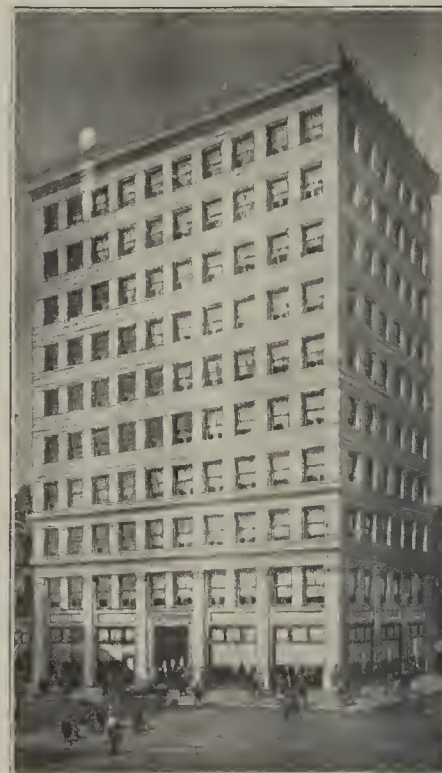
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Vice-President

Henry W. Lynch
Vice-President

Albert H. Addison
Cashier

William R. Cation
Assistant Cashier

George E. McMurray
Assistant Cashier



Central National Bank Building
to be erected in 1913

CAPITAL
Paid In
\$200,000

SURPLUS
and
PROFITS
over
\$200,000

DEPOSITS
over
\$2,500,000

Especial attention given to the accounts of banks and bankers
BUSINESS ESTABLISHED IN 1879

ject to the plan you propose concerning private banks and make this personal appeal for justice. I would consider it just as reasonable and as much justice for a law to be passed that all old practicing attorneys and doctors who are not graduates of some law school or who have not passed an examination, to pass a law now (after years of service or practice) to require them to pass an examination or quit their practice. I have reference to law-

yers and doctors who are practicing under the practice act.

When that ceased and a new law was placed on our statute books, if they had practiced so long, etc., they were not molested, but thereafter all new attorneys and doctors were compelled to take an examination, etc. Why is it that you propose to go away back in this particular regarding private banks?

Those objecting to them need not patronize them, and those now running private banks and are not satisfied, let them change to state or national banks, or quit the banking business. I do not think there is a private banker in the state of Illinois, objecting to private banks, and we are paying our dues to the association as well as state and national banks hence we are entitled to protection or our money is thrown away.

If a law is to be passed governing future banking business in Illinois, or even go back, say five years, why go ahead and let it come, but try and let private banks, already established for years, alone. I have no objection whatever to laws governing future banking or banks.

Who loses or gains, or who is more interested than a bank's customers, let it be private, national or state, and if their patrons are satisfied and patronizing said bank or banks, whose business is it? If they are not satisfied let them go elsewhere to do their banking, or start a bank to suit themselves.

I do sincerely hope that you will reply to this communication and give the matter your respectful attention.

Has there been any more bank failures in the state of Illinois within the last five or ten years, of private banks than national or state, and was the percentage of loss to customers

any greater in private banks than other banks? And if not, why do you propose such stringent laws governing private banking, especially when we have the greater number of banks in the state, and the greater number belonging to the association?

On March 29, 1912, banks in the state of Illinois were as follows:

National banks members of the
association 428 total 445



C. R. WHEELER
Peoria, Ill.
President First National



W. M. E. STONE
Peoria, Ill.
Vice-president and Cashier First National

State banks members of the association 548 total 561

Private banks members of the association 565 total 635

In case of a private bank failure the entire wealth of the stockholders are liable without limit, while in national and state banks, double their capital and the matter is closed.

Why are you so particular concerning private banks?

I pronounce it "Class Legislation," to which I am strictly opposed.

Please be kind enough to furnish me with a list of all private banks, together with location, and greatly oblige,

Respectfully,

Chas. W. Wilson, President.

Farmers & Merchants Bank.

P. S. Mr. Private Banker, the above is a copy of my reply to Mr. Harris's communication of the 10th, and if the above meets your approval, please do your duty. Would at least be pleased to hear from you. I am at your service in any honorable way for protection properly due us.

Stewardson, Ill., August 24, 1912.

On the printed cards of the Farmers and Merchants Bank the prospective depositor is told that "In case of failure our stockholders are personally and collectively liable to the full extent of their entire wealth without limit. While in national and state banks liability ceases at double capital stock. M. L. Richardson, Cashier."

As opposed to all of this peculiar logic will come the safe and sane plan offered by the Dawes committee and endorsed by more than a hundred newspapers and as many public speakers. At Peoria the situation likely will come up as a discussion or debate when the weaknesses and fallacies or strength and safety of the Dawes plan can be developed. The Dawes committee welcomes criticism and suggestions.

FIRST NATIONAL OF PEORIA EXTENDS INVITATION

This publication has received a very unique request from Peoria, Ill., the next convention city of the Illinois Bankers Association. The letter comes from the First National Bank and the Savings Bank of Peoria, asking us to extend to all convention visitors the opportunity of using the commodious quarters of the above banks at No. 210 and 212 S. Adams Street as temporary offices while in the city. All mail may be sent to convention visitors through the above banks and telegrams addressed in their care will be delivered to the proper parties immediately. Probably no other bank in the country is better fitted for this service than the First National Bank and the Savings Bank of Peoria.

Visitors to the Peoria convention next week will take more than usual interest in an inspection of the magnificent new First National Bank building. It is an imposing four-story structure, located in the heart of the business district, and unquestionably one of the finest bank buildings in the West. The exterior of the new building is of the finest white Green River stone, with massive columns, hand carved, lending a wonderful air of strength and dignity. The interior presents not only an air of luxury, but an appreciation of ease and comfort for the transaction of business for both customers and employees. The furniture is of the finest mahogany, grills, counter screens and lighting fixtures are of solid bronze, while the counters are of the finest Brescia Pavanossa marble. The walls are decorated in gold to match the marble fixtures, and the exterior of the enormous vault is of the whitest English veined Italian marble. The huge round door of this

State Trust & Savings Bank of Peoria, Illinois

Capital and Surplus \$240,000.00



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DAVID FORNEY, Vice-President
W. D. CHAS. THRESHIE, Vice-President

B. M. MEAD, Cashier
WM. F. SHANEMEYER, Assistant Cashier
CLIFFORD IRELAND, Counsel

A Growing Progressive Bank Under Conservative Management

vault is eight feet in diameter, two feet thick and weighs seventeen tons, exclusive of the vestibule which weighs eight tons more.

The magnificent lobby contains seventeen hundred square feet, with a beautiful floor of finest quality of Tennessee marble. An enormous skylight of art glass, forty feet overhead, provides ample light for the easy transaction of business.

The officers of the two banks have richly appointed private offices for consultation with their customers, while for the convenience of their many feminine patrons a woman's cor-

ner is set aside, just off the main entrance. This room is fitted with writing desks, telephone, etc.

In addition to the secrecy afforded in the safe deposit vaults, coupon rooms are provided for patrons who wish to be unobserved when examining their papers, bonds and other valuables. Storage vaults in the basement provide safekeeping for more bulky packages.

About two years ago the First National Bank and the Savings Bank of Peoria

(Continued on page 25)

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

JOHN M. MOORE, Vice-President
W. L. BUECHLE, Vice-President
E. W. ZEA, Vice-President

F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier

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A LARGE CAPITAL AND SURPLUS WITH A STRONG ORGANIZATION ASSURES SAFETY

Kansas City

CENTRAL WEST LETTER

Omaha

By EDGAR P. ALLEN

That an era of real prosperity has been inaugurated in the Central West is gathered from the prosperous showing of the national banks of this section on the last call. Farmers are selling off enough of their wheat to pay their obligations and country banks are increasing their balances in the city banks. In Kansas City an increase of 13½ million dollars in the deposits of the fourteen national banks in about 2½ months tells an interesting story of western prosperity, expanding trade and increasing wealth. The total deposits in the national banks of Kansas City exceed 110 million dollars, being over 11 million dollars more than those of one year ago. The increase of 13½ million dollars between June 14th and September 4th, the dates of the last two calls, compares with a decrease of 2½ millions in about the same period of 1911. Cash and sight exchange amounts to 10½ millions more than last June and 6½ millions more than a year ago. Total loans and discounts are 3¼ millions greater than in June and 5¼ millions more than a year ago. State banks and trust companies, numbering sixteen, show total deposits of nearly 32¼ million dollars, a gain of 1¼ millions since June and 1½ millions more than a year ago. In Omaha the situation is quite as encouraging, the ten national banks having deposits of nearly 64 million dollars, being over 4½ millions greater than a year ago and about 5 millions greater than at the time of the last call. The tabulation shows an increase of 3½ millions in loans over the same item on September 1, 1911. All the bankers of the Central West are enthusiastic over the excellent crop prospects and predict a large increase in deposits within the next three months. Reports are coming in from country towns telling of the bumper crops in all parts of this section. The recent rains which were general over the prairie states have added materially to the crop situation.

To Finance Cotton Crop

Should the plans now being formulated by the bankers of Texas mature, it is likely that the farmers of that state will have abundant money advanced them on their cotton crop to insure good prices. Texas cotton growers have complained for years that they were compelled to sacrifice their cotton because the banks refused to make such loans as were needed. This year the farmers and the bankers of Texas are coming to a working agreement whereby there will be better selling methods for all farm products. The first Texas bank to announce that it would loan money on cotton was the banking firm of W. L. Moody & Co. of Galveston, and it has placed \$5,000,000 at the disposal of the farmers,

which will take care of 125,000 bales on a \$40 per bale basis. Col. George W. Breckinridge, of San Antonio, announced that his bank would take \$500,000 worth of cotton paper and several smaller banks have signified their willingness to look after neighborhood needs. It is believed that this action of the Texas banks will save the farmers of that state at least \$10,000,000, which otherwise would be lost by the farmers being forced to market their cotton on a low market.

Death of Abner W. Trumble

Abner W. Trumble, president of the Packers National of South Omaha, died last week at the age of eighty-two years. Mr. Trumble was born in Orleans, N. Y., and came west fifty-seven years ago and settled in Sarpy county, Neb. A remarkable circumstance connected with Mr. Trumble's career was that twenty years ago, at the age of sixty-two years, when most men think only of retiring from active work, Mr. Trumble really entered the profession in which he met with such signal success. At that time he took a minor position with the Packers National of Omaha and in twenty years worked himself up to the top. On his eightieth birthday he was elected president of that institution. Despite the fact that Mr. Trumble was four score years of age, he was always the first man at his desk in the morning and among the last of the employees

to leave the bank in the evening. He prided himself upon his good health and often remarked how young he felt. He was well known among the banking fraternity of the Central West, having held many offices in the Nebraska Bankers Association. Mr. Trumble is survived by his widow and three sons. Burial was at Gilmore, Neb.

F. P. Neal Draws First Prize

Fernando P. Neal, chairman of the board of directors of the Southwest National Bank of Commerce of Kansas City, was greatly surprised last week when an express wagon delivered at the bank the beautifully mounted head of a buffalo. For several hours Mr. Neal was mystified, not knowing who could have sent him such a handsome present. Then he remembered that at a recent meeting of the Colorado Bankers Association at Pueblo, which he attended, an 1,800-pound buffalo was served at a barbecue. As the bankers registered they were given numbers and these numbers were used in a drawing for three prizes—the buffalo head, the hide made into a rug and the feet mounted on the legs of a mahogany table. Mr. Neal drew the first prize, the buffalo head. He has had it placed over the door of his offices in the Southwest National Bank of Commerce.

John T. M. Johnston

John T. M. Johnston, president of the National Reserve Bank, was the first Kansas City banker to return from the meeting of the American Bankers Association at Detroit. After speaking of the good time he had had in Detroit, Mr. Johnston said: "As I see it, politics cannot retard general prosperity. The present outlook is brighter than it has been for five years. Industrial enterprises and business generally are pushing along in a most satisfactory way. The advance of call money in New York going to 6 per cent will not disturb things. I wouldn't be surprised to see it go to 8 per cent. It will simply retard speculation and this should be done so as to leave a larger volume of money for the moving of the crops. There will be no great stringency in money matters, as the country is in excellent condition and bankers have prepared themselves fully to meet crop demands."

Central West Notes

Kansas City's postal savings bank was one year old last week. Deposits aggregating \$650,000 have been received by this bank, of which \$391,985 remain on deposit. Kansas City stands fourth among cities having the largest amount of deposits per capita. Forty per cent of the depositors were foreigners.

Another important consolidation in the Central West territory came last week when the

**THE COAST LINE
TO
MACKINAC**



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BUFFALO NIAGARA FALLS**

**TOLEDO
PT. HURON
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Spend your vacation on the Great Lakes the most economical and enjoyable outing in America. Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay.

A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip.—Special Day Trips Between Detroit and Cleveland, During July and August.—Railroad Tickets Available on Steamers.

Send 2 cent stamp for Illustrated Pamphlet and Great Lakes Map.

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Detroit & Cleveland Navigation Company

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000

We solicit your business and offer you exceptional facilities
Correspondence invited :: ::

First National Bank of Great Bend, Kan., took over the Brinkman Bank of that place. The old officials of the Brinkman institution will become officials of the consolidated bank, while J. George Brinkman, president of the Brinkman bank retires to look after private affairs.

M. Inhelder, president of the Pierce State Bank of Pierce, Neb., has sold his entire interest in that institution to C. E. Staley of Omaha who will become president. Mr. Staley is secretary of the Bankers Mortgage Loan Company of Omaha.

F. E. Carr, sixty-five years old, a well known Kansas banker and president of the Wellington National Bank, Wellington, Kan., dropped dead in his home there last week. He is survived by a widow and four sons: J. H. Carr, cashier of his father's bank; Frank Carr, in the Kansas National Bank at Wichita; D. M. Carr, cashier of the Bank of Cheney, Kan., and W. C. Carr of the Wichita Wholesale Furniture Company. He was a cousin of C. Q. Chandler, president of the Kansas National Bank in Wichita, and also a relative of Dr. W. S. Woods, for many years president of the National Bank of Commerce of Kansas City.

The final 25 per cent, due depositors of the failed American Union Trust Company of Kansas City, will be paid October 1st as promised several months ago when the Commerce Trust Company took over the affairs of the defunct bank for liquidation. Delay has been caused by several cases in court which will be settled soon.

Ferdinand Herff, vice-president and for many years cashier of the San Antonio National Bank, has succeeded George W. Breckinridge as president. Mr. Herff has been with the bank more than forty years.

John P. Gordon, state auditor of Missouri, was injured in Kansas City recently by being struck by an automobile. He has been able to return to his home in Jefferson City.

The announcement of group meetings in Kansas as arranged by the Kansas State Banking Association follows: November 13th, group 5, at Great Bend; November 14th, group 6, at Harper; November 15th, group 3, at Chanute; November 20th, group 4, at Beloit; November 21st, group 1, at Kansas City, Kan.; and November 22d, group 2, at Lawrence.

George W. Allison, formerly connected with the Gate City National Bank of Kansas City, and a banker with interests in Leavenworth and Sterling, Kan., has purchased from T. J. Collins the controlling interest in the Union State Bank of Muskogee, Okla. He has been elected president of that institution.

R. C. Menefee, treasurer of the Commerce Trust Company of Kansas City, was the host to a small party of Oklahoma bankers who visited the fort, the various state and federal prisons and the Soldiers Home at Leavenworth last week. The visitors were Boone V. Hite, president of the Anadarko State Bank; James A. Menefee, vice-president of the Anadarko State Bank and former state treasurer of Oklahoma; A. N. Benedict, cashier of the Apache State Bank and B. C. Zollers, cashier of the State Bank of Marble City.

The following new banks have been chartered in Texas recently: The Citizens State Bank of Rockdale, capital \$30,000; the First State Bank of Rice, Navarro county, capital

\$40,000; the Farmers State Bank of Rice, capital \$20,000; the Temple Trust Company of Temple, capital \$200,000; the Hagerman State Bank of Hagerman, capital \$10,000; the Smiley State Bank of Smiley, capital \$15,000 and the First State Bank of Aransas Pass which has reorganized increasing its capital from \$15,000 to \$50,000. In Oklahoma new banks are: the Guaranty State Bank of Okmulgee, capital \$25,000; the Bank of Salina, capital \$10,000.

AT THE BURROUGHS BANQUET

It didn't cost a cent to go out and eat a swell dinner at the Burrough's plant at Detroit. They furnished even the street car tickets. That's why the visitors sang "the gang's all here," and sang it truthfully.



Those easily identified in the picture are (1.) James P. Roach, American Exchange National, N. Y.; (2.) E. F. Schoeneck, Corn Exchange National, Chicago; (3.) C. R. Hieronymus, Harris Trust and Savings, Chicago; (4.) H. M. Batchelder, president Merchants National, Salem, Mass.; (5.) Walter Snider, cashier First National, Oak Harbor, Ohio; (6.) Wm. A. Mackie, First National, New Bed-

ford, Mass., and (7.) G. H. Corey, cashier Peoples National of Roxbury, Boston.

The camera was not fast enough to get the busy gentlemen at the table in the upper-right corner.

Movement (business of eating) was too great for anything but a moving picture machine. They are supposed to be G. B. Smith, Craig B. Hazelwood, Fred A. Crandall, John R. Washburne, George K. Reed and J. F. Hagey, all of Chicago.

FIRST NATIONAL OF PEORIA EXTENDS INVITATION

(Continued from page 23)

joined forces, making not only an unusually strong banking organization, but bringing together in close business relations financiers and professional men of the highest standing and noted for their keen business integrity and sagacity. Charles R. Wheeler, president of the First National, is a financier whose reputation for careful yet progressive business methods is far from confined to the limits of Peoria. W. E. Stone, vice-president and cashier of the First National, is another officer whose careful judgment is relied upon by the best of business men. Mr. Stone was born and brought up in the banking business, being the son of W. E. Stone, who was connected with the First National as cashier for over thirty years, and is a nephew of Marshall P. Stone, founder of the bank of M. P. Stone & Company over fifty years ago.

The First National ranks high among the oldest national banks in the United States. When its charter was obtained in 1863, there were but 175 other banks holding charters, and of these only 63 now survive. The Savings Bank of Peoria was organized in 1868 and is the oldest and largest savings bank in this part of the country. Under the able direction of Henry Hedrich as president it has established a very large clientele among all classes of people and has a business which is steadily growing.

Visitors will be heartily welcomed to this institution, which has not only builded for itself a most substantial business, but which is also closely allied with the progress of the second city in Illinois.

FRANCIS J. KILKENNY

Francis J. Kilkenny, confidential secretary to Comptroller of the Currency L. O. Murray, a former Chicagoan, has been spending his vacation in this city. Mr. Kilkenny is the father of the Irish Home-Going Association, having made several trips to his native country. As a result of his splendid organizing ability he has stirred up a lively interest on the part of patriotic Irishmen in the matter of visiting their old homes. A number of the important industries in Ireland which were languishing have been revived as a result of these visits.

TO INSURE BANK DEPOSITS

Columbus, Ohio, September 16.—The Equitable Casualty and Bank Depositors Guaranty Company of Columbus, which purposes to indemnify bank depositors against loss as a result of the suspension or failure of banks and also carry on other kinds of insurance business, has been licensed to do business in Ohio. The company has deposited \$200,000 in municipal bonds with the state as security for its patrons.

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The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums, ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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Capital	-	\$1,000,000.00
Surplus	-	2,000,000.00
Deposits	-	19,000,000.00

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J. S. POMEROY, Cashier

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Bank deposits in Minneapolis at the last call reached \$111,178,939. The figures are \$18,663,000 greater than last year at the same time and \$7,532,000 more than the June totals. The former high record of \$106,000,000 in Minneapolis has been passed sixty days ahead of the usual maximum time. Commercial bank deposits are \$90,474,843, and for savings banks that report on call, \$20,704,095. Commercial loans of \$65,007,876 are nearly \$4,000,000 greater than in June. Clearings reached the highest point for the year September 12th, or \$4,527,974. For the week the clearings were \$24,347,273, as against \$22,015,442 for the same week last year.

Legality of Library Bonds Questioned

Question as to the \$600,000 St. Paul library bonds has been raised by E. H. Rollins & Sons, the purchasers, on the ground that laws passed at the recent special session of legislature, not mentioned in the governor's call message, are not valid. The bond issue was not specified in the message. The attorney-general says Minnesota has no constitutional provision prohibiting the legislature from making laws at an extra session not recommended or specifically mentioned by the governor's call. The question is being investigated.

St. Paul Nationals

The seven national banks of St. Paul showed deposits of \$44,246,653 at the last call and resources of \$53,686,473. On June 14th the deposits were \$44,499,197 and resources were \$55,212,375. Notwithstanding the great demand for money to move the crops the almost identical statement for the last call is considered a good sign by the bankers. Deposits in the state and savings banks approximated \$10,000,000.

Denies Rumor

James J. Hill denies a rumor that he has taken over the Second National at St. Paul. W. B. Dean, acting president, agreed that negotiations are on for sale of the stock, and that 3,300 of 4,000 shares are ready to be returned

over. The book value is given at \$224. Mr. Hill's denial consisted in a statement that he knows nothing about the reported purchase by him of the bank's stock.

Provident Loan of St. Paul

In the six months that the Provident Loan Society of St. Paul has been running, 675 loans have been made aggregating \$34,500. Forty-nine delinquents are gradually being brought up. Fifteen loan organizations may decide to settle loans on the same basis as the Provident, or business men's organization.

Dakota Banks Consolidate

The First National and the Union National of Grand Forks, among the largest banking houses in North Dakota, have consolidated by the former taking over the latter and increasing capital to \$200,000 with \$50,000 surplus. Among stockholders of the new concern are M. F. Murphy, Stephen Collins, Sidney Clark, D. H. Beecher and A. I. Hunter. More extensive financial accommodations are required, it is said, owing to the growth and prosperity of the tributary territory which resulted in the consolidation. Each bank had capital of \$100,000.

More Banks for Northwest

Crop conditions will result in the establishment of more banks in the Northwest, in the

opinion of Adam Hannah, president of the Savings Bank of Minneapolis, who has had a conference with eight bank cashiers in North Dakota as his guests in Minneapolis. Rudolph Hoel of Ray said: "One thing is a certainty, that many farmers are going to pay their debts. There have been large yields in everything and the farmer is due to be king." Other cashiers present were F. M. Chard, Rolla; M. N. Gergen, Perth; A. B. Brandt, Hampden; P. J. Anthony, Munich; J. J. Behles, Garrison; R. N. Harmsen, Krem; Conrad Olsen, Charlson. Mr. Hannah said: "Minneapolis has a wonderfully prosperous country to do business with this year. The crops were never so good, and the latest reports brought in direct by the visiting bank cashiers show that it is not only in wheat, but in flax, barley, oats, rye, corn and other crops that there have been big yields this season." Four banks that Mr. Hannah announces will be started are to be at Golden Valley, N. D.; Bailey, N. D.; Schafer, N. D.; Dagmar, Mont. Mr. Hannah is president of the banks represented by the eight cashiers at the conference.

Alberta State Organized

The Alberta State Bank, capital \$10,000, has been authorized by the Minnesota state bank superintendent. Incorporators are: Bert Winter, Minneapolis; Charles Eystad, J. A. Schultz, L. M. Larsen, Christian Cudrio, Charles Bruer, R. B. Jallo, G. H. Farwell, of Alberta; F. R. Putnam, J. J. Gelb, William Gausman, Fred Audert, Frank Geiselman, John Grove, of Morris; M. S. Carl, Clara City.

Back From the East

George H. Prince, vice-president of the Merchants National, and A. B. Chamberlain, president of the Security National, have returned from New York. Mr. Prince says the financial condition in the East is satisfactory. "Money is in good demand," he said, "due to good crops all over the country. Indications are that there will be plenty of money, for there is no stringency in sight." Mr. Chamberlain says there is no doubt New York can

Diamond Collateral Wanted

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with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

furnish all the money needed in the Northwest this fall.

E. W. Decker Celebrates 25th Anniversary

E. W. Decker, president of the Northwestern National, has completed his twenty-fifth year with that institution. Chairman W. H. Dunwoody is the only man connected with the institution who was an officer or director when he began. Vice-President M. B. Koon has just died.

Vacant Lot Gardens

Vacant lot gardens of Minneapolis had so impressed F. E. Alsberg, banker of Amsterdam, Holland, that he asked to see them as soon as he had reached the Northwestern National. He was returning from the Pacific coast by way of Winnipeg. Mr. Alsberg said he heard of the gardens at home. He said: "Amsterdam is sometimes called the city of tulips and every householder takes sincere delight in raising flowers. I think Minneapolis is fortunate in realizing the great benefits that come to a city when vacant lots are covered with growing flowers."

Northwestern National Exhibits Ore Samples

The Northwestern National Bank has obtained the state university state fair exhibit of ore samples from the iron mines from which it gets royalties. With the exhibit is a working model of mine apparatus. The exhibit has attracted as much attention as the crop sample show which the bank has just concluded in its lobby.

Northwest Notes

The State Bank of Palisade, Minn., has been authorized with \$10,000 capital. J. O. Werntz is president and J. G. Meyers is cashier.

C. W. Farwell, assistant cashier of the Northwestern National Bank, absent for a long time recuperating in the South, has returned to his desk. Mr. Farwell has resumed his high opsonic index.

The Commercial National of Minneapolis has opened in the Lumber Exchange. It is capitalized at \$200,000 and has surplus of \$50,000. It will have a safety deposit department. S. E. Forest is president. Vice-presidents are: S. H. Bowman and A. J. Mealey. Guy C. Landis is cashier.

Thirteen million bushels of grain received in thirteen days at Minneapolis is a record-breaking report in Minneapolis for September. Of 1,543 car loads, 916 were wheat. This record compares with 7,738,000 bushels of grain a year ago.

Joseph Chapman and George F. Orde, returned from Detroit, say that the automobile industry will be a great asset of Minneapolis. "It will be eventually one of the biggest manufacturing and distributing lines," said Mr. Chapman.

RICHMOND TRUST COMPANY TO OPEN

John Skelton Williams of Richmond, Va., who will be president of the Richmond Trust and Savings Company, which has just been formed in that city with a capital stock of \$1,000,000, has announced that the institution will begin business on October 1st. The board of directors will include prominent Richmond, Baltimore and New York men. Subscriptions to the stock exceeded the amount offered by \$800,000.

Sidelights on the Convention

William P. Sinnett, cashier of the Market Street National, Philadelphia, seemed to get a lot of enjoyment out of the Detroit convention, and found many friends of the Market Street National among the delegates and visitors.

James A. Lewis, formerly treasurer of the National Biscuit Company of Chicago, now hands out cards as manager of the bond department of Henry L. Doherty & Co., 60 Wall Street, New York. He found many of his Chicago acquaintances in the Detroit crowd.

Mr. and Mrs. R. F. Bopes of Lynchburg, Va., registered for the American National of that place. Mr. Bopes is president of this well established financial institution. He and his wife found a lot of friends at the Detroit convention.

Clifford DePuy, son of the late publisher of the "Northwestern Banker" at Des Moines, mingled with the Detroit throng and met many of the friends of his father, who were pleased to know that he will continue this important financial publication at the old stand.

James F. Allen, he of the genial manner and complete wardrobe, formerly of the Oriental Bank of New York, and who has been missed at conventions the past year or two, reappeared at Detroit. His cards announce J. F. Allen & Co., Bankers, 111 Broadway, New York. Mr. Allen reports a good line of business.

Houston Isbell Shelley, cashier of the City National at Selma, Alabama, reports a good line of deposits in excess of a million dollars. Mr. Shelley was one of the many Southerners who found big reward for attendance at the convention.

Charles A. Elder and wife were at Detroit representing the Globe Savings Bank of Los Angeles, of which Mr. Elder, formerly a resident of Illinois, is the president. A. C. Hupp, formerly a cashier of the State Bank at Arlington Heights, and F. H. Haskell, formerly cashier of the First National at Mendota, are other Illinoisans connected with this bank. Capital is now half a million, with deposits in excess of two millions.

Nobody had a better time at Detroit than did Jos. A. McCord, vice-president of the Third National at Atlanta, Ga. Mr. McCord was accompanied by a number of the members

of his family. The new home of the Third National is a corker, and their line of deposits in excess of four millions makes them one of the important financial institutions of the South.

D. E. Waters of the Grand Rapids (Mich.) National City Bank handed out a statement at Detroit that surprised. The combined deposits of the Grand Rapids National City and the City Trust and Savings are \$8,408,000; total resources are over eleven millions. Mr. Waters is a member of the A. B. A. executive council, and also one of the receivers for the Flint-Pere Marquette Railway System. He is chairman of the board of directors of his bank.

The new statement of the City National of Galveston, Texas, printed under date of September 4th, shows deposits of \$4,700,000. The official list of officers includes J. W. Hoopes as vice-president and cashier. Mr. Hoopes is secretary of the Texas Bankers Association and also presided at the sessions of the state secretaries section recently held in Detroit, which he made among the most important of the convention.

Charles H. Huttig, the new president, was presented with a silver loving cup which came from the St. Louis Clearing House Association. Three beautiful clusters of American Beauty roses followed the loving cup, which were the tributes of Mr. Huttig's friends. William Livingstone, the retiring head, was presented with a chest of silver.

A resolution was adopted extending the thanks of the convention to the newspapers of Detroit, to the speakers who had given their services, to the persons and establishments that had assisted in the entertainment of the delegates and to the citizens of Detroit, for whom the bankers declared they have a most cordial feeling.

Bradford Knapp, special agent for the department of agriculture at Washington, made an extemporaneous talk at the Friday session in which he advocated the urgent need for the dissemination of knowledge pertaining to agricultural subjects. He gave a history of the work which has been accomplished by the department which he represents, and spoke enthusiastically of the possibilities which lie in American farming.

One of the most enjoyable entertainment features of the convention was the banquet tendered the visiting bankers by Hiram Walker and Sons, Ltd., at Walkerville. More than 1,000 bankers were in attendance at this function. Throughout the banquet music was rendered to entertain the guests. William Livingstone acted as master of ceremonies. Following the banquet the visitors inspected the plant, and after an excursion on Lake St. Claire, returned to Detroit in time for dinner.

The bankers declared themselves in favor of one-cent letter postage. It was pointed out that the government is carrying first class mail at an enormous profit, which, however, is eaten up by the loss sustained on the second class matter, and that the bankers are bearing a large proportion of the burden of the cost of transporting this class of matter through the mails. The association went on record as endorsing the movement.



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Iowa Banking News

By W. C. JARNAGIN

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Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, Sept. 18.—Iowa's prosperity is well indicated by the biennial report of the state banking department under the direction of the state auditor which shows deposits in the state and savings banks of Iowa of \$278,700,000. But what bankers consider most interesting is that there has not been a single failure among state or savings banks in four years and that the capital stock of these banks is greater now than the deposits were 21 years ago. This total deposits of banks under state jurisdiction 21 years ago was \$33,781,000. The capital is now \$35,982,000, and the deposits, by the above figures, are shown to be almost ten times as large now as in 1891. The report covers deposits and capital stock of state and savings banks and trust companies. There are now 1,016 such institutions in Iowa, while in 1891 there were 205 such institutions. During the past year three state banks, sixteen savings banks and one trust company have suspended and quit business after liquidation. There have been new charters issued to twelve state banks and 83 savings banks, and the following table, compiled by the state banking department, shows the deposits, number and capital of the 1,016 institutions under its supervision:

		Deposits.	Capital.
1891	205	\$ 33,781,706.67	\$11,026,393
1892	245	42,467,395.89	12,734,300
1893	325	42,151,434.35	14,484,120
1894	350	41,987,838.05	15,670,800
1895	364	43,627,136.55	16,151,300
1896	370	43,955,793.79	16,411,400
1897	372	45,442,894.16	16,287,200
1898	383	59,336,453.62	16,447,000
1899	402	77,405,669.16	16,874,170
1900	448	91,147,056.58	16,054,900
1901	474	114,731,614.06	18,845,400
1902	531	133,692,461.64	20,205,400
1903	574	132,443,981.00	21,315,400
1904	619	131,471,439.41	22,329,300
1905	677	146,493,959.29	24,096,400
1906	745	169,609,746.76	25,699,800
1907	812	201,953,384.32	28,010,800
1908	845	197,927,303.89	28,694,300
1909	898	225,155,164.61	30,578,300
1910	951	246,921,202.29	32,478,800
1911	984	249,829,504.42	38,901,800
1912	1,016	278,761,504.29	35,982,300

National Banks

The call of the comptroller for the condition of business of national banks on September 4th found that the four national banks of Des Moines had a combined deposit increase for the past year of more than \$2,000,000, although the total deposits showed a slight decrease over the June call, owing to the excessive demand for money now for moving crops. The Iowa National showed deposits of \$8,263,000 on September 4th, as against \$8,642,000 on June 14th and \$7,159,000 on September 1, 1911. For the same periods the Citizens National showed deposits of \$2,100,000, \$2,065,000 and \$1,869,000; the Des Moines National,

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L. J. YAGGY, Cashier

A. F. DAWSON, President

\$6,459,000, 6,190,000 and 5,339,000; the Valley National, \$2,617,000, \$2,065,900 and \$2,255,000. The total deposits of the four banks on September 4th: \$19,439,000; June 14th, \$19,512,000; September 1, 1911, \$16,623,000. On deposits for the June 14th to September 4th period all gained except the Iowa National, while on the year all showed big gains, especially the Des Moines National, which increased its deposits over \$1,000,000.

A. C. Miller at Head of Des Moines Trust

A. C. Miller, president of the Home Savings Bank, who retired from active work several months ago, is going to get back into active harness as president of the Des Moines Trust Company, which has been reorganized. Mr. Miller and W. G. Harvison have purchased a block of stock in the company and Mr. Miller, at a board meeting, was chosen a director as well as president. The capital stock of the Company was increased to \$100,000, fully paid up, and Mr. Miller will have active charge. Nelson Royal, who was instrumental in the organization of the company two years ago, was elected a vice-president and he will continue to take an active part in the business of the company. The members of the board of directors now are: A. C. Miller, president; Nelson Royal, vice-president; Guy B. Brunk, secretary; F. C. Waterbury, A. D. Struthers, W. G. Harvison, W. F. Cook and Dr. C. M. Werts. Mr. Miller has been in the banking business thirty years.

Politics No Detriment to Business

Politics, the bugaboo of business in former years, is no longer a detriment and business is now moving along just as nicely and as smoothly as if presidential year were a million years ago, writes Homer Miller, president of the Iowa National Bank. This year politics is the "mascot," not the "jinx" of business. "It was to be expected that the presidential year would retard business progress, but the multiplication of candidates, parties and issues has brought about a political situation which is really helping the business situation," he says in his note on trade conditions. "A clearly defined contest between two candidates or two parties on one of two issues might seriously have hampered business activity. While some business may be more or less affected by the

Ramona, S. D.—Frank O. Palmer, of Madison, S. D., was elected cashier of the Peoples State Bank, succeeding J. S. Stevens, resigned because of ill health.

A permit has been issued to Willis S. Herick, John L. Pearson and Charles Heller to organize the Proviso State Bank at Maywood, Cook county.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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political situation until November 1st, even politics cannot prevent the gradual but persistent expansion in most lines which is now taking place and which bids fair to continue through the year."

New Bank for Keokuk

Keokuk will soon have a new bank with a capital of \$100,000 as plans for the organization have reached such a stage now that E. A. French, the organizer, has announced tentative plans. The new institution will be housed at Eighth and Main streets in that city and about fifty of the most prominent merchants of Keokuk have subscribed for the capital stock, which will be fully paid up. Mr. French, who formerly was with the Central Savings there, has also been connected with banks at Collins and Waterloo, Ia.—as vice-president of the Citizens Savings at Waterloo—assistant cashier of the Blackhawk National there and as cashier of the Exchange Bank at Collins. He says the bank is now assured and that application will soon be made for a state charter. The entire banking business of Keokuk is now handled by three banks.

Attempt at Bank Robbery

Bank robbers are still active in this state, as proven by the reports of an attempt recently to rob the Bank of Callender at Callender, Ia. Three men rode into the town, entered the bank and blew off the outer door of the safe unseen. Mrs. A. Arent heard the sound of the explosion and as she was on a party line with the bank telephone the bank phone rang when she called up and this frightened the men away. They evidently took it for a burglar alarm, as they ceased work immediately. They then boarded a train and escaped. In the safe was \$1,800.

Otto Hill

Otto Hill has been elected cashier of the Davenport Savings Bank and will assume his new duties on September 19th, when he returns from a vacation spent in the East. He succeeds the late Henry C. Struck and has been an assistant cashier. Mr. Hill has been in the banking business since 1891; ten years with the First National Bank there, eight years with his father, John Hill, and three years with the Davenport Savings. The vacancy created by Mr. Hill's promotion has not been filled. The directors also declared a semiannual dividend of 6 per cent on the capital stock of \$300,000, payable October 1st.

Europe in Favor of Taft

Europe favors the re-election of Taft in the opinion of E. H. Rich, cashier of the First National Bank of Fort Dodge, who has just returned from a three months' tour of Europe. The English and European papers, he declares, are very strong against Roosevelt and are advocating the return of the president. Roosevelt's erratic deeds have lost him much of his old time favoritism on the other side of the Atlantic, he believes. He adds that crop conditions in Scotland and England three or four weeks ago were not at all promising. He vis-

ited Italy, Switzerland, Germany, Holland, France, England and Scotland.

Ask Withdrawal of Tax Assessment

The First National Bank of Council Bluffs has begun a fight there asking that the tax assessment against that institution be set aside on the grounds that the state law regulating the taxation of national bank stock is unconstitutional. The assessments complained of fixed a value of \$145 a share on the 2,000 shares in the bank. The bank holds that the present law is a discrimination against moneyed capital invested in bank stock and violates the national law permitting the assessment of national bank stock.

Iowa Banking Notes

The First National Bank of Perry is extremely proud of its September 4th statement which shows that it now has deposits aggregating \$538,558, an increase from \$491,000 on June 14th, or a gain of \$46,700, which they contend is a grand showing for a bank in a city of its size.

George W. Curtis, Jr., owner of the Ferguson (Ia.) Bank in Marshall county, was arrested at Marshalltown last week on a charge of embezzling \$1,095 school funds. Until recently Curtis was treasurer of the local school district. He was indicted by the grand jury but denies the charges. He formerly lived at Redfield.

Wallace Hamilton, a teller in the Merchants National Bank at Cedar Rapids, was married last week to Miss Hazel Hall, daughter of Mr. and Mrs. L. G. Hall of Coggon.

H. M. Pattee of the First National Bank at Perry is reported quite ill at his home there, threatened with typhoid fever, but the attending physicians hope to break up the fever.

Sioux City

By JOHN J. BIDDISON.

By showing a \$3,000,000 gain in deposits over that indicated by the June report, Sioux City national banks distinctly emphasized the prosperous condition of this city and territory in the last statement made on the call of the comptroller. Deposits were found to be above \$16,000,000, and available cash close to \$7,000,000, an increase of nearly \$1,000,000. The remarkable growth of the city, both in a building and a business way, is given credit for the improvement. Any increase at this particular season is looked upon as unusual.

Death of South Dakota Banker

Efforts to save the life of Chas. E. Floete, the Armour, S. D., banker, who was brought

to a Sioux City hospital for an appendicitis operation, proved unavailing. His death was occasioned by hemorrhage, following the operation for gangrenous appendicitis. His body was taken to Armour in the private car of Superintendent L. B. Beardsley, of the Milwaukee railroad, accompanied by a delegation of local Shriners, of which order Mr. Floete was a member, and the funeral was conducted at Armour by his brother Masons. Mr. Floete was reputed to be one of the wealthiest men in his state and was well known throughout Iowa as well as South Dakota.

Banking Notes

Miss Jennie C. Rhodes, daughter of F. H. Rhodes, an Estherville, Ia., banker, was married on September 4th to Dr. Arnold R. Moon, of Williamsburg, Ia. They will go to Australia for a year's honeymoon. Mr. Moon will there pursue graduate medical studies.

George B. Perkins, president of the First National Bank of Sac City, Ia., is building for himself a \$10,000 residence of 12 rooms. It will be thoroughly modern, even to a vacuum cleaning system built in.

At the annual meeting of the stockholders of the Farmers Savings Bank of Sac City, Ia., S. M. Elwood was re-elected president and J. H. Denman vice-president. M. M. Heptonstall, cashier, tendered his resignation, effective March 1, 1913.

Indictments have been returned against Chas. E. Baldwin by the grand jury of Sioux county at Hawarden, Ia. He is accused of defrauding the First National Bank of that town out of \$3,000 through the use of faked credentials. He was captured at Vancouver, British Columbia.

J. J. Adkins, of Carthage, S. D., and his son, B. E. Adkins, have purchased a controlling interest in the Peoples State Bank of Howard, S. D. The former becomes president and the latter cashier of the bank.

The Melham brothers, of Watertown, S. D., have purchased a majority of the stock of the Florence State Bank, at Florence, S. D., and will consolidate that institution with the Farmers State Bank, of which they are now the principal owners. The combined capital is \$25,000, to which is added a considerable surplus. The officers of the consolidated bank will be: J. O. Melham, president; A. Melham, vice-president; P. N. Larson, cashier; G. J. Eggen, assistant cashier.

M. W. Fritz, president of the Farmers Savings Bank of Manson, Ia., with his wife and son, have returned from a two months' trip abroad. B. E. Sebern, cashier, who has been the victim of a paralytic stroke, is slowly recovering, though still without the power of speech.

The Oklahoma state banking board has taken charge of the Farmers and Merchants Bank at Sapulpa, placing L. H. Patton and M. R. Garrett, bank examiners, in charge to check up the books. The depositors are protected by the state guaranty fund.

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WHAT SOME OF CHICAGO'S BANKERS SAY ABOUT THE CONVENTION

The general opinion of Chicago bankers who were in attendance at the A. B. A. convention held in Detroit last week seems to be that it was an unqualified success, and that the sessions were productive of much good, not only to the banking fraternity, but to the public at large. Following are the impressions of some of those who were present:

Ralph Van Vechten, vice-president of the Continental and Commercial National: "I think the convention one of the most successful that has ever been held. The only serious drawback was the extremely hot weather during the first two or three days, which detracted from the attendance at the meetings, but after the weather improved there was a good attendance and much interest taken in the proceedings. One of the best features was Mr. Chapman's session on agricultural and financial development and education. This was well attended and the talks all were interesting and instructive. Detroit bankers were most hospitable and their entertainment was of a high order of excellence. Some criticism was offered during the first three days regarding the apparent lack of accommodations, but ultimately, I think, everybody was well taken care of. I believe members of the association are taking a more serious view of its aim and objects, and I think from now on better results will be accomplished in all directions. This is true of the work of the sections as well as of that of the main organization. The clearing house section, with which I am the most familiar, is taking up a number of practical questions, which are of great benefit and importance, not only to the banking fraternity, but also to the public at large. It is interesting to note the growth of the association since the previous convention at Detroit fifteen years ago, at which there were only a few hundred bankers present and the total membership numbered only a few thousand as against thirteen thousand odd to-day. This strikingly illustrates the growth of the banking business as well as the tendency of bankers to become members of an organized movement for the betterment of general banking conditions."

Ernest A. Hamill, president of the Corn Exchange National: "I think the A. B. A. convention at Detroit was very successful. The very hot weather which prevailed the first few days had a tendency to affect the attendance at first. I was glad to see such a large number of bankers. A general spirit of optimism was manifested. I think Detroit is a very beautiful city and that she is making rapid progress."

Henry S. Henschen, cashier of the State Bank: "I was especially interested in the meetings of the savings bank section, being a member of its executive committee. I think the sessions of this section were the best since it was organized eight or nine years ago. The

attendance was the largest and the addresses the best. Bankers were particularly interested in hearing from a director of the postal savings bank, Theodore L. Weed of Washington, who spoke before a crowded hall. Most of his hearers, of course, were not in sympathy with the postal savings bank, but they gave respectful attention to what the director of the entire system had to say on the subject. The chairman found it necessary to rule that no questions of a controversial nature be put to Mr. Weed, but many queries relating to the operation and future plans of the postal savings bank were willingly answered by him. Mr. Weed proved to be an interesting and well informed speaker."

William G. Edens, assistant secretary Central Trust Company of Illinois: "I was much pleased with the results of the convention. I think the bankers and the citizens of Detroit are entitled to a vote of thanks for the excellent entertainment afforded the visitors and delegates. The large attendance, the splendid program and the interest manifested by the delegates in the convention and in the meetings of the various sections, will, no doubt, be of value to the association and to banking interests generally throughout the United States."

J. Fletcher Farrell, vice-president of the Fort Dearborn National, re-elected treasurer of the A. B. A.:

"I think the Detroit convention was one of the most successful ever held in the history of the association. While the extremely hot weather of the first few days affected the attendance somewhat, I believe that as a whole the sessions were well attended. Much enthusiasm and interest were displayed by the delegates and visitors. We were extremely fortunate in being provided with such an interesting and instructive program. One of the features of the convention was the meeting of the committee on agriculture and financial development and education, presided over by Chairman Joseph Chapman of Minneapolis, which was well attended by bankers, agriculturists and educators from all over the country. Much interest was manifested in this most important subject by those in attendance. This committee is deserving of great credit for the work which it has accomplished and the enthusiasm which it has created throughout the various states. A great deal of time and energy have been devoted to the improvement of general agricultural conditions and methods throughout the country, to education of the youth along these lines and to a more expeditious system of financing the farmer."

"Detroit is a progressive, energetic, thriving and up-to-date city, representing all of those elements which combine to render any place ideal for holding a convention. Too much praise cannot be given her citizens and her bankers for the royal manner in which they entertained their guests. The entertainment committee is to be congratulated on the splendid and efficient manner in which they provided for the comfort and enjoyment of their visitors."

"The last year has been one of the most prosperous and successful in the history of the association, showing the largest increase in membership. This has been brought about by the hearty co-operation and support which have been accorded the association by all of its members. The organization is on a sound financial footing. Members have been very prompt in sending in remittances for their an-

nual dues. I believe that the American Bankers Association has been productive of much good, having identified itself with a number of important movements vitally affecting the welfare, not only of the banking fraternity, but of the general public as well. Its prestige and efficiency consistently have increased under the administration of the splendid men who have been at its head. I believe that the ensuing year will result in the accomplishment of much profitable and beneficial work, and that the A. B. A. will more than live up to its reputation for usefulness and efficiency."

Big Bank Merger

Two big St. Joseph, Mo., banks consolidated their interests on Monday of this week when the First National Bank of Buchanan County and the Merchants Bank merged into one institution, to be known as the First National Bank of Buchanan County, with banking rooms at Fourth and Felix Streets, in the splendid building now occupied by the First National. Stockholders of the Merchants Bank received stock in the First National equivalent to their holdings in the Merchants and in lieu thereof, and the present business of the Merchants Bank will be liquidated by the reorganized First National. T. W. Evans, president of the Merchants becomes chairman of the board of directors of the consolidated institution and W. S. McLucas, the cashier, becomes active vice-president.

The deposits of the combined banks are over seven millions and the total assets approximately \$8,500,000. Mr. Evans is the dean of the banking fraternity in St. Joseph, having occupied official bank positions there for the past thirty-five years. R. T. Forbes, who is to be the president, is an ex-Chicagoan, having been president of the Drovers Deposit National of this city. He has been engaged in the banking business for the past thirty years. Jacob M. Ford, vice-president of the First National, has been with that institution for twenty years. R. L. McDonald, also a vice-president, has been a director and vice-president of the Merchants Bank for many years. W. S. McLucas, who will be active vice-president, has been a resident of St. Joseph for the past thirteen years. In 1909 he and others purchased the controlling interest in the Merchants Bank. J. E. Combs, vice-president and cashier of the First National formerly was cashier of the Illinois Trust Company of East St. Louis. R. S. Brittain and R. N. Ridge, assistant cashiers of the First National, have been in its employ for a long time. Max Andriano, assistant cashier of the First National has been in the employ of the Merchants Bank for thirty years and has been assistant cashier since 1890.

The directors of the First National Bank are as follows: J. E. Combs, J. L. Davidson, Thos. W. Evans, J. M. Ford, R. T. Forbes, Dr. Jacob Geiger, W. H. Griffith, F. S. Hayward, E. A. King, R. L. McDonald, W. S. McLucas, John A. McGee, Ben Phillip, W. A. Tilden, O. W. Waller.

The new institution will be one of the strongest banks in the Central West and will be splendidly equipped for the transaction of all business.

BANK ROBBERS GET \$5,000.

Cadillac, Mich. Sept. 16.—The safe in the Leroy Exchange Savings Bank in Leroy, a village twelve miles south of here, was blown open at 1 o'clock this morning and \$5,000 in currency was taken by two robbers. About \$7,200 in negotiable paper was left scattered about the floor of the bank. Chase was given but they escaped in a rig which had been near the bank before starting the robbery.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Tuesday, October 15, 1912, to stockholders of record at the close of business on Monday, September 30, 1912.

WILLIAM R. DRIVER, Treasurer.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

the science of agriculture. Better than that, Mr. Chapman said that the products at the fair were examples of what brains mixed with elbow grease could do.

IN a word, the banker-agriculturist believes that the wheat, rye, barley, oats, heating plants, ventilating systems, traction engines and gasoline pumps on exhibition prove beyond a doubt that the better farming propaganda, agitated of late, has borne fruit.

ALEX V. OSTROM, cashier of the New Minneapolis bank, started as a messenger boy in the Swedish-American.

PRESIDENT GODDARD, of the State Bank of Chicago, says: "The nation is experiencing an unusual wave of prosperity, and the coming year will see records broken in all lines of activity. The enormous crop yield and increasing volume of trade, great financial resources and optimism on all sides, have caused the usual wave of uncertainty, because of a presidential campaign, to become nil."

AT a meeting of the executive committee of the Harris Trust and Savings Bank Chester Corey was appointed manager of the corporation department to succeed Andrew Cooke, vice-president, who recently resigned. Mr. Corey has been associated with the Harris organization for the last nineteen years.

QUITE a gathering of the leading anti-supervisionists in Chicago on Wednesday. Result: a meeting of private bankers has been called at the headquarters hotel in Peoria for Monday night, just before the state convention opens. A club room for 200 has been ordered.

THERE were a few pro-supervisionists in town the same day, to plan the future of the Dawes report and of the nominating committee. It isn't sure that this report will come before the council, since it in reality is matter for the convention direct.

PRESIDENT HARRIS can be depended upon to recognize the groups on the nominating committee as in all other matters. His fairness is proverbial.

IF the convention gets to going, there is no telling what may develop in the way of nominations from the floor. For the first time this year the delegates, and not the council, elect the treasurer also. The nominating committee may not pacify all the candidates.

THE fate of Vice-President John D. Phillips probably will be settled indirectly by the action of the private bankers on Monday night. If they get "too anti" they will not expect one of their number to go into the big chair.

PHILLIPS is a fine man and a good banker and his close friends will keep his best interests in view.

FOR the chairmanship of the council there are two candidates, good friends to each other and to every one else. They are George Woodruff of Joliet and Col. J. S. Aisthorpe of Cairo. The situation has been pretty well sized up and it is likely that at Peoria, before the final council meeting, a decision as to which will go into the voting can be arrived at.

THE proceedings book for the second annual conference of the bankers committee on agricultural development and education is out. It is a book of almost four hundred pages and covers what is known as "the Chapman Farmer Conference" held at Minneapolis and St. Paul on August 7th and 8th, this year.

MORE than twenty-five thousand copies have been ordered by state associations, colleges, banks and educators for distribution.

It is the most valuable text book on the subjects treated ever put into print. The best offerings of the best experts in every branch of the better farming uplift are included.

THERE is little doubt but that the A. B. A. administrative committee will reappoint the Frame committee on new constitution, for, under the amended constitution, convention named committees are limited in service to the time of the convention.

THAT amendment was not intended to thwart the will of the body but to prevent the schemer from creating a useless committee by resolution such as has been done so frequently.

IT is believed that assurances were given at Detroit that the Frame committee will be given every encouragement to trim the working forces of the association and of the sections, such as the size of the council and of executive committees, down to a business basis. It will bring the expenses to a point within the income, if it is to meet with general approval.

PROBABLY the meeting place will be in St. Louis and it will not be a secret or secretive affair. Those who are interested or who have suggestions to make are welcome to attend or to send letters to members of the committee.

WE have seen the tax assessor's return for a lot of private banks down state which advertise "responsibility" all the way from two hundred thousand to half a million.

HONESTLY, we'd be ashamed to tell you the taxes they pay. It may come out in the wash at Peoria but the responsibility will be on the kickers.

WHEN compared with the taxes paid by incorporated banks in the same towns it makes a noise like a scandal. A squeaky old delivery wagon in Chicago pays more than any one of several of the high-and-mighty among the antis. "There's a reason."

CASHIER.

GOVERNMENT TO DEPOSIT CASH IN WESTERN BANKS

It is reported that the treasury department of the United States is contemplating depositing in western banks from twenty-five to fifty millions. This will enable the banks better to take care of demands for funds on account of the crop movements.

DOES YOUR BANK INVEST IN BONDS?

If so, do you buy—

- First: For temporary investment?
- Second: For permanent investment?
- Third: For income?
- Fourth: As a "secondary reserve" proposition, or
- Fifth: For appreciation?

In either of the above cases, we are prepared to submit offerings to conform to your needs, requirements and preferences. A letter from you will enable us to do this.

D. Arthur Bowman & Co.
Third National Bank Bldg. ST. LOUIS, MO.

BOARD OF GOVERNORS OF INVESTMENT BANKERS MEETS

(Continued from page 15)

would be possible for a man having the confidence of both the Investment Bankers Association officials and the magazines to suggest a series of articles to the various magazines along educational lines. I further believe that the relation of this association to the magazines should be such that the best class of magazines will make their standard for financial advertisers a membership in the Investment Bankers Association, or require those who advertise in their columns to have at least equal financial standing. After a discussion of the pros and cons of this feature, I should be glad to have it referred to the committee on publicity and domestic relations.

My second suggestion is that the association should at once commence to establish a statistical bureau, which would stand ready to furnish information (mind you, not advice) regarding investments to all its members. To establish such a bureau would mean a considerable amount of work, as well as some considerable time. There are now in existence various bureaus on statistics, some of which have placed their services at our disposal. These should be carefully considered, their value should be determined, and if such a bureau should be established and maintained at a high standard, the Investment Bankers Association could do nothing which would bring sound investments into greater repute and, conversely, at the same time, wipe out the many wildcat schemes which from day to day come to the surface. Such a bureau could devise a blank form of report, which would give the essential statistics regarding any company which might be inquired about, and should be held as confidential information to our members. It would also be necessary, it seems to me, for each member of our association to keep on file in the secretary's office of our association copies of all public offerings of bonds purchased by them, and be willing to give to the secretary such information from time to time as will disclose the real character and worth of such bonds.

My third suggestion is that the members of this association dealing in municipal bonds will place on file with the secretary of this association a copy of the legal papers of all municipal issues published by them from and after September 1, 1912, together with a copy of the opinion of the attorney approving the issue of bonds, and that a register be kept in the office of the secretary of all such municipal issues, showing the house purchasing the same, amount and date of issue, rate of interest, attorney approving the same, this record having reference also to a certain file number where the details will be found. This may not seem especially valuable at the commencement of our career, but it will become a part of our statistical department and each year will, in my judgment, become more and more valuable to the members of this association. This undoubtedly, if recommended by the board of governors, should be referred to the committee on municipal bonds.

My fourth suggestion is one concerning legislation and I think we have a most excellent committee to do a most important work. I would suggest that each member of the board of governors make it a point to call to the attention of Allen G. Hoyt, the chairman of this committee, the situation from time to time as it comes to him regarding his own territory and state. I would also suggest that the secretary likewise be notified, so that we will have in the office of the secretary such knowledge as each of you think the situation should have and through our general offices lend the legislative committee such assistance as we can.



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

BOARD OF DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
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Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
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WILLIAM A. GARDNER, President Chi-
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An Up-to-Date Bank cannot long

71¢
PRESS ONLY ONE KEY
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Pressing ONLY ONE KEY
Completes the Transaction

combat the
money-saving argument of labor-
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our machine must make good on
your own counter.

The Brandt Automatic Cashier
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Over 5000 Bankers

It is infallibly accurate and saves
25% in time. A moment's time,
a postal will bring full particulars
of our interesting offer to bankers.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. CHICAGO



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

New Trains to ST. LOUIS

VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
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W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,716,000
Deposits - - - 46,275,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
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Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

SEPTEMBER 28, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Peoria Convention

OFFICERS 1912-13

John D. Phillips, Green Valley, president.
S. B. Montgomery, Quincy, vice-president.
J. S. Aisthorpe, Cairo, chairman executive
council.

O. L. Hiser, Lexington, treasurer.

R. L. Crampton, Chicago, secretary.

The 1913 convention of the association will



JOHN D. PHILLIPS
GREEN VALLEY

The new president of the Illinois Bankers Association is a leading banker-farmer in down state affairs. He has long been an earnest organization worker and has evidenced his capacity as chairman of council and as vice-president. He believes in the doctrine of efficiency.

be held in Chicago, at the invitation of the Chicago Clearing House Association.

Wednesday Session

The first session of the big convention was held Wednesday morning in the Orpheum Theatre, the meeting being devoted to a discussion of educational topics. The invocation was delivered by the Rev. A. M. Little, D.D., Ph.D., of Peoria. G. W. Curtiss, president of the Peoria Clearing House, extended the welcome of the City to the visitors and delegates, which was gracefully responded to by W. T. Fenton, vice-president of the National Bank of the Republic of Chicago, and president of the association in 1898-99. Following Mr. Fenton, President B. F. Harris of Champaign delivered his annual address, which will be found in part in another portion of this edition of THE CHICAGO BANKER. Dr. George E. Vincent, president of the University of Minnesota, talked on education and national efficiency. Dr. Vincent's address will be found printed in full elsewhere in this issue. H. E. Miles of Racine, Wis., who was down on the program for a talk on vocational education, was unable to speak. W. T. Abbott, vice-president of the Central Trust Company of

(Continued on page 36)

SECRETARY CRAMPTON WRITES RESIGNATION

At the close of the Peoria convention, when everyone was weepy, soft-hearted and full of forgiveness, was the time chosen to put over a deep-laid plan to increase the salary of Secretary R. L. Crampton from three to four thousand dollars on the plea, not of efficiency, but, that he was "going to get married" and needed the money. The job was well laid but the watchful, intrepid W. G. Edens was on the job as usual. He told the members what they already knew and did it so effectively that what looked like a unanimous vote in favor in reality "hung up" the salary job by a vote of twenty-four to three.

It was referred to the administration committee to be decided fully and reported at the mid-year meeting of the council. Crampton was so chagrined and disappointed that he gave the committee "one hour" to decide and to warm up matters wrote his resignation.



S. B. MONTGOMERY
QUINCY

The "Judge" as vice-president of the Illinois Bankers will be an active member of the administrative committee. He is the active head of the largest bank in the state outside of Chicago, but gives fully of his time to association matters.

That, however, did not bring the desired increase and at time of going to press the committee was in no humor to be bulldozed. It is said that among other plans is one in which a prominent secretary in an adjoining state cuts a central figure.

Peoria, Sept. 27th.—President John D. Phillips of the Illinois Bankers Association, has declined to be stampeded by the Crampton resignation and will not call the administration committee together for some time. He wants time to investigate the situation and so to be certain to carry out only the expressed will of the members of the association. Thus it is likely Crampton will find himself taken at his word, for he demanded an immediate increase of \$1,000 per year.

Neil J. Shannon

Neil J. Shannon, assistant to Judge Charles S. Cutting, has been appointed trust officer of Foreman Brothers Banking Company. Mr. Shannon has been connected with the probate court for twenty-two years. Foreman Brothers recently established their trust department.

J. S. AISTHORPE, CHAIRMAN OF COUNCIL

At the conclusion of a friendly race for the chairmanship of the executive council of the Illinois Bankers Association, with favor fairly well balanced between George Woodruff and Col. Aisthorpe, the younger man withdrew and nominated the elder, at the Peoria convention. It was a fine, manly act on Mr. Woodruff's part and was deeply appreciated by Col. Aisthorpe and by all who take into consideration the finer ethics of such a situation. A slender victory, by two or three votes, isn't in it with a magnanimous act, and everybody says it's for Woodruff next year. So it should be, in a high minded association.

FINLEY BARRELL & CO.

Finley Barrell & Co., bankers, Chicago, now are located in their new quarters in the Rookery.

As the result of an illness which made serious operation necessary, William B. Kincaid, thirty-four years old, teller for the New England National Bank of Kansas City, died Sept. 16th. He was the son of Charles Kincaid, cashier of the Park National Bank.



J. S. AISTHORPE
CAIRO

The new chairman of the executive council of the Illinois Bankers is one of the best known bankers in the state. His elevation to official station was exceedingly popular, and came as a reward of years of earnest, disinterested service to the association. His tour of the chairs will show results.

OCTOBER INVESTMENTS

The bonds offered below were purchased by us after a thorough investigation to satisfy ourselves that they were a safe and suitable investment for our own funds. Having done this, we expect to continue to buy and sell at the market price any bonds once purchased, so that at any time before the bonds become due an investor may come to us for a market.

MUNICIPAL BONDS

Amount	Security	Coupon Rate	Maturity	Approximate Yield
\$50,000	*City of Chicago, Ill., Municipal.....	4%	1914-1928	4.03%
60,000	*South Park Commissioners Improvement...	4%	1913-1922	4.10%
45,000	Coles County, Ill., School District No. 100 ..	4%	1922-1931	4.20%
28,000	New Trier Township, Ill., (Cook County), School	4½%	1918-1923	4.20%
100,000	*City of San Diego, Cal., Harbor Improvement	4½%	1916-1952	4.40%
22,000	Memphis, Tennessee School.....	4½%	1961	4.40%
60,000	*Robertson Co., Tenn. Road.....	4½%	1942-1932	4.55%
50,000	Rapid City, So. Dakota, Water.....	5%	1932	4.70%
50,000	Grayson County, Tex., Road District.....	5%	1919-1952 Opt. 1922	4.75%

*Acceptable as security for Postal Savings Deposits

CORPORATION BONDS

Amount	Security	Coupon Rate	Maturity	Approx. Yield
\$25,000	Chicago Railways Company First Mortgage	5%	1927	5.00%
250,000	The Virginian Railway Company First Mortgage	5%	1962	5.05%
50,000	Armour and Company First Mortgage.....	4½%	1939	5.05%
100,000	Public Service Company of Northern Illinois First and Refunding Mortgage.....	5%	1956	5.10%
250,000	Los Angeles Railway Corporation First and Refunding Mortgage.....	5%	1940	5.10%
50,000	Fort Smith Light and Traction Company First Mortgage.....	5%	1936	5.40%
200,000	United Light and Railways Company First and Refunding	5%	1932	5.63%
75,000	Southern Sierras Power Company First Mortgage..	6%	1936	6.00%

All bonds are offered subject to prior sale and change in price. Detailed description of any issue will be sent on request

We recommend the above bonds for investment

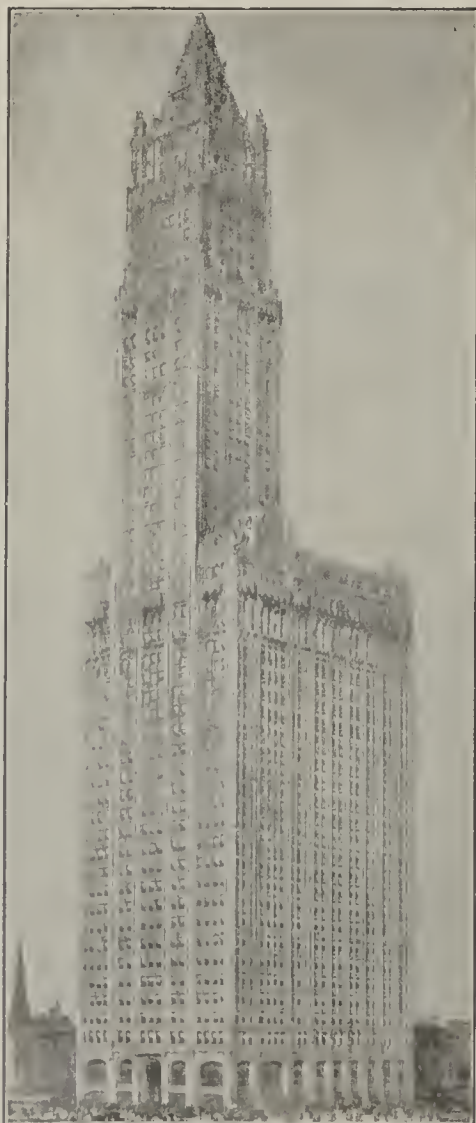
BOND DEPARTMENT

Continental and Commercial Trust and Savings Bank CHICAGO

Capital, \$3,000,000

Undivided Profits, \$1,542,324

The Capital Stock of this Bank is Owned by the Stockholders of the Continental and Commercial National Bank of Chicago, which has Capital, Surplus and Undivided Profits of \$30,607,949



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON	-	President			
JAMES E. NICHOLS	-	Vice-President			
ROLLIN P. GRANT	-	Vice-President	HARRY E. WARD	-	Cashier
WILLIS G. NASH	-	Vice-President	D. H. G. PENNY	-	Assistant Cashier
BENJ. F. WERNER	-	Vice-President	RICHARD J. FAUST, JR.,	-	Assistant Cashier
CHARLES H. IMHOFF	-	Vice-President	J. FRANKLYN BOUKER	-	Assistant Cashier
EMIL KLEIN	-	Vice-President	SAMUEL REDFERN	-	Assistant Cashier

Mainly About Banks and Bankers

BURROUGHS has a new adding and subtracting machine which is being tested out in the presidential campaign. It is used at the Wilson headquarters to add up the times that Roosevelt calls his competitors such names as "liar," "thief" and the like.

IT is the plan to subtract when he says anything nice about either Taft or Wilson. Thus far it has been all adding. A single-barreled machine would do for the Colonel.

A NEW YORK fortune-teller who wanted to send a message to the President predicting his election was arrested as insane. Yet the members of the D. R. Forgan Illinois-Taft committee all get away with it.

DOWN at Peoria—Nelson H. Greene posted notice of "a reward of \$50 for a canteloupe that tastes of melon."

SOMEONE tagged Harris with a bull-moose pin and a label—"Nobody's honest but me —T.R."

THEY took a straw vote down here on Wednesday. The nearer the distillery the bigger the Moose lead.

W. E. STONE had a good one to tell of a battle between a cow and an aeroplane. Time and place was when she "jumped over the moon."

IT was told down at the convention hall that one of the blooming young agricultural farmers from down-state wrote to James J. Hill for advice and got the following (ten-collect) telegram:

"Chin farming will not do; you've got to work."

J. N. DOLLEY, the "Blue Sky" man from Kansas, was the center of many groups. He isn't in the claim business but does things. Other states give Kansas and her banking commissioner the discoverer's medal when it comes to a remedy for fake stock swindles.

MORE than one hundred bankers came down on the Chicago-Peoria special over the Rock Island, in charge of General Agent L. H. McCormick. The equipment and the dining-car service were specially fine and were highly commended.

IT wasn't difficult to defeat supervision—not in the private bank belt—when 190 private bankers were in Peoria and when not less than 35 depositary banks were in an obliging humor.

PEORIA banks did not feel like going against any of their guests and so—for the moment—became anti-supervisionists. After it was over the reversal to type came about and—so we are informed—the privates themselves will take up the good work along in October.

TRULY the wiser among them have seen the handwriting on the wall and are converting their slower brothers. They believe in supervision—perhaps not in its desirability—but in its certainty. They are not going to let someone else draw or control the bill, for

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

they see the advantage in doing that themselves.

AS one of their leaders said: "What would happen if the socialists or the demagogues of the political parties took up the plain words of the Abbott resolution and told the rabble why they lost their money in the failing, irresponsible banks?"

IT would put the Illinois Bankers Association in a very bad light to say the least. Should a wave of bank reform ensue, dangerous riders and restrictions could be hitched onto any proposed bill. Even guaranty isn't beyond the possibilities.

MANY bankers believe that unauthorized and unsupervised banking could be made a misdemeanor by amendment of the criminal code and thus not require a referendum vote. Certainly that would be a short cut to sure results.

THERE were those at Peoria who tried to stampede the A. B. A. members into holding their annual meeting only two weeks after holding one at Detroit. Fortunately the Illinois vice-president, H. E. Otte, arrived in time to say "nothing doing."

JUST his promptness and fairness were required to prevent another famous Illinois mix-up with duplicate sets of officers confusing each other and everybody else for the next whole year.

NO retiring president ever received such tribute as did B. F. Harris. The speeches, the resolutions and above all the feeling of the convention, were for him to a most unusual

degree, and that at a time when most conventions are lauding the incoming officials.

PRESIDENT-ELECT JOHN D. PHILLIPS was chief among those who tried to tell of what Mr. Harris had done and to predict the carrying on of his famous welfare policies.

IN truth, Mr. Harris was put on a pinnacle where, as Mr. Phillips said, "his record will be very hard to live up to."

ST. LOUIS came over forty strong in a special "interurban," and among other things took a straw vote on the way. It resulted (all bankers but one) Wilson, 18; Taft 13, and Roosevelt, 5. How's that?

R. S. HAWES and J. A. Lewis took the vote and counted it.

NOTHING cleverer was gotten off at the Peoria meet than the response to the address of welcome by W. T. Fenton of Chicago. He also tossed some fine bouquets to Mr. Harris and supervision. Be it said that no man was out of favor at Peoria for speaking his true, known convictions.

BANKERS are too broad for that. Secretly they do not admire a dodger nor a trimmer. They're too manly and high-minded for that.

W. G. EDENS had been in Peoria several days ahead of the convention attending a meeting of the Illinois Highway Improvement Association. Thus he had a start on the rest in having his picture in the papers first.

MR. EDENS also remained behind when the big Chicago special pulled out on the Rock Island. He was to preside at a state convention on good roads on Friday. His activities seem to be as effective as they are innumerable.

NO more interested nor attentive attendant at the sessions could be discovered than Edward E. Crabtree, who was president just before Mr. Harris and who was elected to the A. B. A. executive council at Detroit a few weeks ago.

WALTER S. REARICK is an incorporated state banker, but sits in counsel with his former associates—the private bankers. He was first to "tumble" to the "consent" features of the supervision resolution, but he wasn't soon enough—not quite.

AUGUST BLUM gave a dinner at the Creve Coeur Club to the incoming president, John D. Phillips. Twelve covers were laid and a theatre party followed. (This reads like a real society item.)

ALEX. D. CAMPBELL of the Hanover, New York, attended his first Illinois convention this week. Says it beats Detroit for interest and in its splendid program.

THE next Illinois convention will be held in Chicago. That was promptly decided at Peoria when August Blum read a telegraphic (Continued on page 39)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

GORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS		
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

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ARE YOU MERELY "SATISFIED"—
With Your Chicago Correspondent?

OUR AIM IS TO BOTH PLEASE
AND SATISFY OUR CUSTOMERS!

Correspondence as to terms cordially invited

THE LIVE STOCK Exchange National BANK
OF CHICAGO

THE CHICAGO BANKER

Founded in 1898

VOLUME XXXIII

CHICAGO, SEPTEMBER 28, 1912

NUMBER 13

Illinois Bankers Convention at Peoria

"It is a privilege and pleasure in behalf of the Peoria Clearing House Association, an organization embracing in its membership every bank in the city, to extend to your annual gathering a hearty and cordial welcome to our city and hospitality, and to express the hope that your deliberations may be of interest and

House in opening the largest state convention of bankers ever held in Illinois, and probably the largest ever held in the Union. Its brevity and clarity commended it as a model of its kind. W. T. Fenton of Chicago, an ex-president of the association, responded neatly and the big conference was under way.

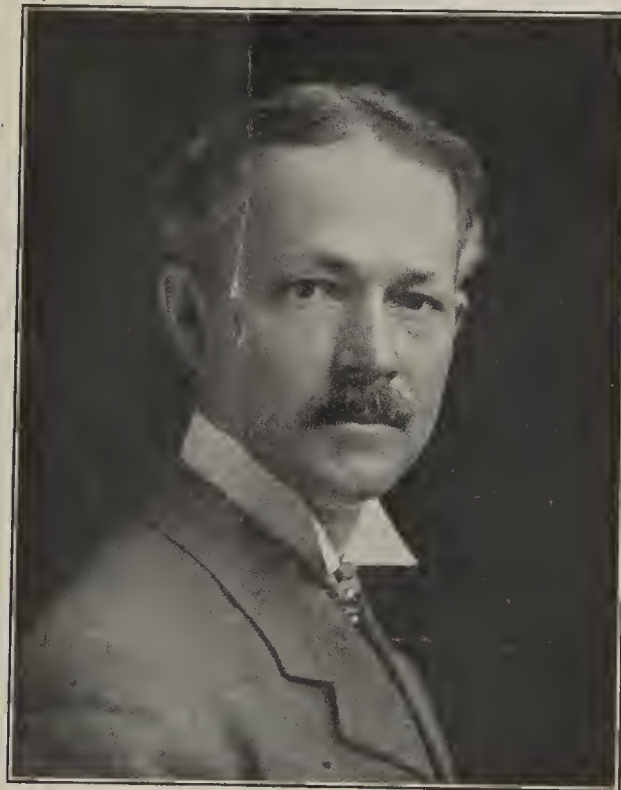
The Presidential Address

Next came the address of the high-gaited, progressive president—B. F. Harris of Champaign. He crowded the recounting of the activities of the year into a twenty-minute address which was a fitting climax to his tour of the chairs. He took a Gospel text which he served up à la Outlook and which went well. The "Fra" would call a far less preten-

have the truer ring, if we likewise labored to place our own houses in order. Being assured that this great association of some sixteen hundred banks,—representing upwards of two billions of banking power—desired to put itself on record in the matter of state supervision of all banks not under federal organization, that proposition was taken up. We proceeded on the theory that the majority should rule and that the executive officer can render no greater service than seeing that such majority may have its proper hearing and opportunity. At this late day,—when many governmentally supervised banks practice self and reciprocal outside expert inspection,—when the people, whose money we hold, demand and the courts approve,—when broad-minded bankers do not question the propriety nor the right of public supervision, there can be no argument against supervision. Banking legislation springs from a realization that under the system of individual banks, some regulation and inspection is necessary to protect depositors, as well as banks, against bankers who may be either inexperienced, improvident, or prone



E. E. CRABTREE
F. G. Farrell & Company, Jacksonville, Illinois
Ex-president Illinois Bankers Association



B. F. HARRIS
Champaign, Illinois
Retiring President American Bankers Association



OSCAR G. FOREMAN
Vice-president Foreman Bros. Banking Co., Chicago
Ex-president, Illinois Bankers Association

pleasure as well as of advantage and profit. While we are not the largest city in our state in either population or volume of business transactions, we shall not admit that you could receive anywhere a more sincere or cordial welcome than we extend.

"You are a representative class of business men and citizens, more nearly controlling perhaps than any other the welfare and destinies of the communities in which you reside; and that this influence should be wisely directed it is well for us to come together for the discussion and consideration of those problems which directly affect us, and through us the welfare of our people. It is not my purpose, and I have no wish to enter upon any discussion of any subject which will come before you, but commending you to the duties and pleasures of the hour we trust and hope that your deliberations will be harmonious, and that when you return to your homes it will be with pleasant remembrances of us which you will from time to time recall and treasure."

Such were the welcoming words of President G. W. Curtis of the Peoria Clearing

tious thing "a preachment." He then recounted the efforts of the association in the direction of a better citizenship and good government. Floral bouquets of size and fragrance were tossed to other associations—banker and otherwise—interested in the good work of agricultural improvement, good roads, education.

Bank Supervision Touched Upon

On this important part of his review of the year's work done by the association. Mr. Harris said in part:

"Alive as the association has been in other fields of public welfare it was apparent that our efforts would come with better grace and

to use the funds of their bank for their own improper advantage.

"To further safeguard the people—to be better prepared with capital and otherwise to meet financial stringency,—to remove unfair competition that results in bad banking and failure,—to pay a fairer share of taxes, to put the



NATIONAL BANK OF COMMERCE IN NEW YORK
is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



The Fourth National Bank Of the City of New York

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Vice-President
E. W. DAVENPORT
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CHARLES E. MEEK
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DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

OFFICERS
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President
JAS. A. GRAY
Vice-Pres.
H. F. SHAFNER
V. Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

banking business on the high and dignified plane that the custodians of the people's money must occupy,—to drive out the financially and morally irresponsible, who disgrace the profession and defraud the public,—to put Illinois in the high place that is hers,—these are a few of the results springing from adequate supervision any one of which should be sufficient to secure it.

"While this association would serve each individual member wherever it can, we must lose sight of the individual or particular bank, for this association is concerned only with building up the safety and service of banking in its entirety. As public rights are above individual rights, so the welfare of the association and the fraternity is above that of any member.

"A few uninformed, or otherwise, claim that supervision does not reduce failures, yet over any period of years since the war, statistics show that private bank failures are five to one as compared with those of supervised banks, and the losses, estimated on the basis of similar deposits, are several hundred times more. Short sighted indeed is he who asks and accepts the solemn trust of the people's funds and ignores their rights in the matter of all reasonable protection.

"Supervision is certain to come and we must anticipate the movement, for it will bring more prosperity to the honest private banker and strength to all.

"If a bank is unable to pay a fair return on the capital necessary for a sound business then the community doesn't deserve a bank, any more than it deserves other conveniences it doesn't support. If the individual hasn't the capital required, then he isn't entitled to go into the business, unless he co-operates with a number of his fellow townsmen and farmers and organizes, in that way, one of the strongest and most helpful banks any small community can have. There is no foundation in fact for opposition to bank supervision in this state, other than that growing out of purely selfish reasons and the opportunity to do, under unsupervised banking, the things that should not be done under any system of banking. Many private bankers are frank enough to admit this, and some will admit nothing, while it is certain that more than half of them are favorable to any reasonable proposition.

"On the basis of the foregoing there was appointed an unusually strong and representative committee of nine of our members, three of each class of bankers, with Charles G. Dawes, of Chicago, chairman. That committee, after diligent and painstaking effort, without expense to this body, submitted its report in terms as favorable as could be asked. The proposition is now up to this association and it

must act directly and should instruct its officers specifically.

"Blue Sky" Bill and Sharks

"In further accord with the policy of public welfare there should be legislation in this state, following the line of the Kansas 'blue sky' bill, to save the people of the state from the enormous loss they suffer through purchase of 'wildcat' and worthless so-called securities. The July report of the postmaster-general shows \$120,000,000 lost to the people during the year, in 'wildcat' securities sold through the mails. Millions more were lost and not reported and still other millions by personal and direct sales. The stuff sold was largely bogus mining, insurance and fake medicine stocks and worthless land. The government convicted and sentenced 452 of these sharpers and 571 yet await trial, while thousands have escaped. The 'loan shark' situation, and the immigrant banks, who prey on foreigners, also need attention, and it should be the privilege and duty of all good bankers to assist in driving out of the state these several classes of human sharks, many of whom pose as bankers."

Mr. Harris then confided further plans for an allegorical picture-postal campaign and for welfare work to the association. He came out strongly for the abolition of that part of the bankers' constitution which keeps the ex-presidents on the executive council for life. He

thought benefits might come if national and state bank members met annually as the private bankers now do.

GOOD ROADS CONVENTION

On Friday, September 27th, a state good roads convention was held at Peoria under the auspices of the Illinois Highway Improvement Association. Convention headquarters were at the Jefferson Hotel, as was the secretary's convention office. Delegates and guests were invited to call at the secretary's office for registration, credentials, badges, etc. At ten o'clock group meetings were held, and at noon, luncheon and the main business session. Mayor E. N. Woodruff of Peoria delivered the address of welcome, after which a report was heard from the committee on policy, containing outline of the platform of the association. There was a discussion of the report by the Hon. A. P. Grout, president Illinois Farmers Institute; the Hon. Oliver Wilson, master National Grange; the Hon. Edwin R. Wright, president Illinois Federation of Labor; the Hon. Charles J. Piez, president Illinois Manufacturers Association; D. Ward King, inventor of King road drag; J. D. Phillips, Illinois Bankers Association; S. E. Bradt, highway commissioner, De Kalb, Ill.; A. G. Batchelder, New York; Mrs. H. M. Dunlap, Savoy, Ill.; the Hon. Eugene Kimbark, president Chicago Association of Commerce; the Hon. Homer J. Tice, Greenview, Ill.; the Hon. C. S. Hearn, Quincy, Ill.; W. L. Park, first vice-president Illinois Central Railroad, and John D. Shoop, president Illinois State Teachers Association. There was a general discussion by delegates, report of committee on constitution and reports of officers.

At 8 P. M. there was a mass meeting in the Coliseum, at which addresses were delivered on the press and good roads by E. F. Baldwin, and on road building in Colorado by Thomas J. Tynan, warden Colorado state penitentiary. Mr. Tynan illustrated his lecture with moving pictures and told of the use of convict labor in the construction of roads in Colorado. Following Mr. Tynan, Jesse Taylor, editor "Better Roads," Jamestown, Ohio, talked on the general subject of good roads. After reading the platform the meeting adjourned.

Officers of the Illinois Highway Improvement Association are as follows: William G. Edens, Chicago, president; S. E. Bradt, De Kalb, first vice-president; C. A. Kiler, Champaign; second vice-president; C. G. Miller, Cairo, third vice-president; F. A. Garner of Quincy, fourth vice-president; Thomas Suduth of Springfield, treasurer, and R. J. Finnigan of Chicago, secretary.

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus - \$23,000,000.00
Deposits - \$176,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

FIRST NATIONAL OF HARVEY

First National of Harvey is one of the growing, progressive banks of the state. In the past five years it has grown to be a bank of \$447,000 strong. It has a capital of \$50,000 and surplus of \$10,000. Deposits are \$332,000. Frederic R. De Young is president; W. D. Rogers and W. E. Powers are vice-presidents; David Wiedemann is cashier and Wm. Plagge, assistant cashier. The bank's business during the past year has increased over \$100,000.

SCHOOL CHILDREN TAUGHT TO SAVE

The school savings system recently inaugurated in Cedar Rapids, Ia., has met with more than usual success, a fact which is attested by the report submitted to the board of education by John Burianek, Jr., cashier of the Peoples Savings Bank of Cedar Rapids, which institution has been acting as custodian of the savings of the school children. Stamps are sold to the depositors and are pasted on cards. The total number of accounts opened by children who filled one or more cards was 1,100. Of this number 85 withdrew their entire balances, leaving 1,025 active accounts. The total number of stamps sold was 294,355, amounting to \$2,943.55. The total amount withdrawn was \$561.88, leaving to the credit of the system a balance of \$2,381.67. All of this was accomplished in the comparatively short time of three months and one-half. Miss Ethelyn Grau has had charge of the department.

NATIONAL BANK OF DECATUR

National Bank of Decatur is the oldest national bank in that city. This institution has capital stock of \$200,000, surplus of \$100,000 and undivided profits of \$76,377.83. Deposits are \$1,768,434.83. B. O. McReynolds is president; John Ullrich and C. P. Thatcher are vice-presidents; J. A. Meriweather is cashier and James M. Allen and Wm. A. Phares are assistant cashiers. Recently the bank took over the banking house of L. Burrows & Co. The institution was organized in 1873 as the Decatur National. In 1893 the present name was adopted. A modern bank building will be erected on the site of the old Burrows bank, and the capital stock will be increased to \$250,000. The bank has been successful since its organization and enjoys the respect and confidence of the public.

COMES OUT FOR BETTER FARMING

W. B. Harrison, recently elected secretary of the state secretaries section of the A. B. A.,



W. B. HARRISON
Enid, Okla.

secretary of the Oklahoma Bankers Association and editor of the "Oklahoma Banker," in the September issue of that publication has enlisted himself among the advocates of im-

proved agricultural methods and conditions in the United States. Mr. Harrison said in part:

"Look what was done in Oklahoma alone this very year—actually millions of dollars in wealth were added to the state by inducing the farmers to plant more of a single crop than they have been planting heretofore. How can the results of such work be estimated in dollars and cents?"

"But that is only a small part. Our national growth has been one-sided—terribly so. We have built great cities and polished them to as near perfection as we could, and we have utterly neglected our rural life. At last we are awakening to the enormity of the blunder of developing a citizenship in spots only."

He pointed out the urgent necessity for good roads, and deprecated the fact that so much attention is paid to traffic which goes over the railroads and so little to that which goes over the dirt roads, when, in reality, the former is insignificant when compared with the latter. He expressed it as his opinion that the banker must play an important part in the accomplishment of these reforms.

SPRINGFIELD MARINE BANK

Springfield Marine Bank is the oldest bank in Illinois, having been organized in 1851. Capital is \$300,000; surplus of a like amount and undivided profits of \$156,000. Deposits are \$2,600,000. John W. Bunn is president; Ernst H. Helmle is vice-president; Henry Bunn is cashier and Shelby C. Dorwin assistant cashier.

TRAVELERS' CHEQUES EXTENSIVELY USED

That the travelers' cheques issued under authority of the American Bankers Association have proven extremely popular during the four years which this system has been in vogue, is attested by the fact that the Bankers Trust Company of New York, the redemption agent, has redeemed over \$32,000,000 worth of these cheques. The plan for these cheques was originated by Fred I. Kent, vice-president of the Bankers Trust Company, formerly manager of the foreign exchange department of the First National of Chicago. They find ready acceptance all over the world, and for large as well as small amounts.

J. HERBERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

free of charge upon request.

Members:

NEW YORK STOCK EXCHANGE

CHICAGO BOARD OF TRADE

CHICAGO STOCK EXCHANGE

THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital	-	-	\$2,000,000.00
Surplus and Profits			1,468,000.00
Deposits	-	-	15,397,000.00
ORGANIZED JANUARY 17, 1807			
Dividends Paid	-		\$13,267,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital	-	-	\$ 1,500,000
Surplus and Profits (earned)			2,270,000
Deposits, over	-	-	25,500,000

OFFICERS

L. A. GODDARD, President
HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY S. HENSCHEN, Cashier SAMUEL E. KNECHT, Secretary
FRANK I. PACKARD, Asst. Cashier WILLIAM C. MILLER, Asst. Secretary

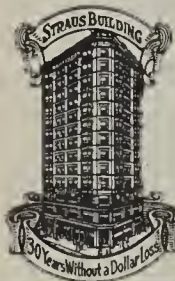
YOUR CHICAGO BUSINESS RESPECTFULLY INVITED

CONSERVATIVE INVESTMENTS To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. Write for *The Investors Magazine*, published twice a month.

SEND FOR SPECIAL CIRCULAR No. 50

S.W. STRAUS & Co.
INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.



This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

**The First National Bank
of Milwaukee**

Fort Dearborn National Bank

CHICAGO, ILLINOIS



United States Depository

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	31,000,000

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30
June 14, 1912	28,433,836.35
September 4, 1912	31,041,482.12

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier WM. W. LEGRON, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital	-	\$500,000.00
Surplus and Profits		500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President
JOHN CAMPBELL, Vice-President J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch S. H. MARSHALL
J. H. TWEEDY, Jr. R. N. McMYNN
GUSTAV RUESS C. C. YAWKEY



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

George E. Vincent Speaks on Education for National Efficiency

It takes competition to make a people know what they need to teach their youth. A hunting horde sets store by the arts of the chase; a fighting clan drills its offspring to shoot straight; the Spartans trained their young to do police duty over a slave population; Rome, in her days of expansion, disciplined her citizens for conquest and rule; Germany to-day, confronting all competitors, trains her population for military efficiency, industrial and commercial competition and scientific research.

The United States, isolated from the world-struggles of the last century, has found her chief opponent in Nature. To acquire territory from weak powers was easy. To master and develop this vast area was the national task. This was turned over to individual and incorporated contractors on the liberal and stimulating terms: "Go in and help yourselves. Your personal success will be a service to the nation." Men responded to this summons and formed that westward moving type of society known as "the frontier." This frontier life made men Jacks-of-all-trades with little esteem for experts; it developed in them independence, a sense of social equality, a contempt for those who assumed airs of superiority. The men of the frontier were absorbed in their personal careers. They felt little need for co-operation; they were individualists.

American education reflects the ideas of the individualistic frontier. Aside from a theory of general intelligence—a sort of police protection against ignorance—education is still thought of as an individual right and opportu-

Distinguished president of the University of Minnesota makes an eloquent appeal to bankers at the Peoria convention—says efficiency rather than opportunity will be the true test of the individual, of the school, and of the nation

nity, rather than as a social function. It is a source of personal culture, a preparation for a profession or a skilled trade. Even the recent Shibboleth of social service carries with it a strong suggestion of individual satisfaction—a kind of personal luxury of altruism.

It is not merely the possession of distant islands which is bringing the United States into world politics. Deeper forces are at work.

industry will have to meet still sharper competition at home.

Words and phrases are struck out to fit the times. In Emerson's day America spelled Opportunity in capital letters. It would be a dis-



RALPH N. BALLOU
Chicago
Cashier National Produce Bank



L. H. GRIMME
Chicago
Cashier National City Bank

aster to drop this stimulating idea from the national lexicon. But just now, it is Efficiency that is being put in italics, if not capitals. The call for efficiency is a summons to awake from complaisant dreams of national destiny and to organize under the guidance of a national purpose. We must learn to practise economy, to obey the dictates of science, to put value on expert knowledge and specialized skill. We must train our children for places in a well-organized and highly efficient national life.

Germany and Japan afford striking examples of national efficiency organized by strong, paternal governments. We may well ask, Can democracy discipline itself to such achievements? The aristocratically inclined, who hold to a "trust the capable few" philosophy, are skeptical. They who have faith in democracy, who believe in the "trust the many" theory are confident that this national task can be accomplished.

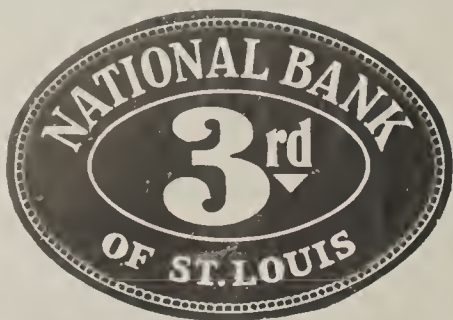
National efficiency for the United States demands the essential things which a strong centralized power can secure—classification, specialization, technical training, organization—and more than these, it must preserve the valuable factors which democracy favors—personal responsibility, initiative, social flexibility, ex-



G. F. EMERY
Chicago
Cashier Live Stock Exchange National

Public lands have been occupied; natural resources have been appropriated, by individuals, corporations and government; population is increasing, exports of food-stuffs are declining; in a few years the tide may be running in the other direction. The truth is being pressed home that the days of careless exploitation of traditional agriculture, of easy-going industry and a wide-margin commerce are numbered. If we are to maintain even our present standard of living, we must change our methods. If we are to turn our vast resources to account effectively, we must put them into the markets of the world. If tariff walls are lowered, as they may be, American

Capital
\$2,000,000



Surplus
\$2,000,000

Deposits, \$35,000,000

Officers

C. H. HUTTIG, President

F. O. WATTS, Vice-Pres.

T. WRIGHT, Vice-Pres.

R. S. HAWES, Vice-Pres.

G. W. GALBREATH, Vice-Pres.

J. R. COOKE, Cashier

D'A. P. COOKE, Asst. Cash.

H. HALL, Asst. Cash.

E. C. STUART, Asst. Cash.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN - President

JOHN FLETCHER, Vice-President

GEO. M. BENEDICT - Cashier

J. C. MORRISON, Assistant Cashier

H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN

AVERILL TILDEN

L. B. PATTERSON

WM. A. TILDEN

JOHN FLETCHER

GEO. M. BENEDICT

WM. C. CUMMINGS



Security National Bank MINNEAPOLIS

Capital	-	\$1,000,000.00
Surplus	-	2,000,000.00
Deposits	-	19,000,000.00

OFFICERS

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Light & Coke Company

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Capitalist

C. H. BOSWORTH
President



PEOPLES GAS BUILDING
Michigan Avenue and Adams Streets

Capital
\$500,000

Surplus
\$100,000

Deposits
\$7,300,000



S. A. SMITH
Chicago
Vice-president Northern Trust Company

perimentation, resourcefulness and spontaneous loyalty. Education in an aristocracy must select and equip a favored few to command, must train and discipline the many for technical tasks, skilled labor, docile obedience to the captains of industry and government. Democracy must seek its leaders in all groups and must secure the intelligent and voluntary cooperation of the whole nation.

National efficiency demands the distribution of ability into many professions and callings, rather than concentration upon a few. We probably have too many lawyers, insurance agents, real estate dealers, brokers and middle-men,—possibly too many bankers—too few effective general farmers, fruit growers, dairymen, market gardeners, highly skilled artisans in many industries. Efforts to magnify these pursuits have been, so far, largely futile. City men's sentimental praise of rural life does not perceptibly add to the attractiveness of farming. Unctuous phrases about the "dignity of labor" do not cause men to flock into shops and factories. Until recently, the total effect of education has been to discredit manual labor, however skilled, and to turn ambitious boys and girls toward commercial pursuits. The fundamental nature of agriculture becomes more obvious every year. No national efficiency can be based upon manufactures and commerce. The soil is our greatest resource. The bankers of the United States are deserving well of their country because of the interest which they are showing in rural problems and in agricultural education.

Democracy cannot assign citizens to their life tasks by any coercions or authority. It is only by testing them and offering to them a variety of careers that distribution of functions can be effected. In a complex society the numbers of these callings essential to the national welfare grow rapidly. Education must recognize and give meaning and attraction to more and more of these activities. The motives which draw men into callings are social esteem, economic reward, a technique which challenges mental ability, a self-respecting sense of mastery and efficiency. Our society must widen its ideals of worthy and dignified work, must exalt expertness and must readjust rewards.

Current educational proposals are to be judged by the test of national efficiency. So-called vocational subjects are being rapidly introduced. German "continuation-schools" are held up for imitation. Agriculture as a school

subject is earnestly and hopefully advocated. Along with praise of the new goes contemptuous allusion of an outworn and fossilized curriculum. It is too early to outline a system of national education, but certain guiding principles begin to define themselves.

If the best ability is to be sought in all classes there must not be a premature specialization and assignment to life tasks. There must be a period of general education, say up to fourteen, practically common to all children. This is a testing time during which aptitudes are discovered. This does not mean that a uniform system is to cover the land. Mechanical uniformity is a danger. The adaptation of each school to its special environment is a necessity. But this can be accomplished without provincializing the school.

A period of general education is especially needed in a democracy which aims at training not only specialized workers but intelligent citizens as well. Aristocracy may, for a time at least, secure efficiency by making its masses obedient servants. But democracy cannot accept what Lincoln called the "mud-sill" theory. Then, too, aristocracy may educate classes, but democracy must not merge men and women into fixed groups.

This general education, while not specifically a trade education, should contain much which has a direct bearing upon vocational choice and preparation. The days of mere book-learning are at an end. Manual training, drawing, music, cooking, sewing, school excursions, are not—when rightly handled—fads or frills. They are at once tests of aptitude and means of personal growth.

Vocational subjects should not be too early segregated from general education. If a social stigma once attaches itself to a calling or group, the vocation is hampered and antagonisms are aroused. Experience with agricultural education, for example, has proved the importance of keeping it in close relations with other types. To set off farm students as a group apart, is to discredit their training and to isolate them from the comradeship of high school, college and university. There is something inspiring in the life of a modern high school in such a state as Minnesota. Here, in

MILLIKIN NATIONAL OF DECATUR

The deposits of the Millikin National, \$5,100,000, are the largest of any bank in Decatur. Capital stock is \$200,000 and surplus and profits \$357,000. The officers are: Orville B. Gorin, president; J. M. Brownback and J. P. Gorin, vice-presidents; S. E. Walker, cashier, and G. P. Lewis and W. A. Hammer, assistant cashier.



MILLIKIN NATIONAL
Decatur, Illinois



M. A. TRAYLOR
National Stock Yards, Illinois
Vice-president National Stock Yards National

one school community are children from town and country. They are working side by side in classrooms, laboratories, shops and experimental farms. The school is a unit at the same time that specialization for future vocations is well under way.

Experience shows that practical subjects rightly taught and properly related to the work of the school stimulate a keener interest in the other studies. Many of the formal pursuits get new meaning and charm when they are connected with the vocational activities. The new movement for practical education has therefore great value for general education.

It is equally true, however, that practical subjects when they are isolated or taught in a narrow way by unimaginative and uncultivated teachers lose a great part of their value. Agriculture may, if presented in its scientific and social aspects, be made a cultural study or it may be rendered so "practical" as to be of little significance. One of the pressing needs of to-day is teachers trained to present these new studies in an accurate, authoritative and at the same time inspiring fashion.

It must be remembered that a national system must offer education for all kinds of children destined for a wide range of social tasks. The older cultural education so-called has permanent and tested value. We cannot afford to throw away the rich heritage from the past. Many must be trained to preserve and enrich this noble tradition of knowledge, beauty and idealism. All must have some share in it.

This then is the national task: to work out a system of education which shall aim at making the United States an effective competitor in the world's arena. Efficiency must be secured, however, through and not at the sacrifice of our fundamental institutions. It must be a progressive efficiency, in that it gives scope to individuality and experiment. It must be an expert efficiency, which recognizes the authority of tested scientific truth and verified experience. It must be a social efficiency, arising not from coercion of the many but from their loyalty to a common ideal and purpose. It must be a moral efficiency, inspired not by mere hope of material gain but by a genuine desire to make our country a potent influence for social justice and for world welfare.

The German National Bank of Beatrice, Neb., which was established in 1889, has been sold to the Union State Bank of that city.

Fort Dearborn National Bank



Fort Dearborn Trust and Savings Bank

United States Depositary—Security and Conservatism

Capital	- -	\$2,000,000
Surplus and Profits		600,000
Deposits	- -	31,000,000

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J. FLETCHER FARRELL	- -	Vice-President
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CHARLES FERNALD	- - -	Asst. Cashier
THOMAS E. NEWCOMER	- -	Asst. Cashier
WM. W. LE GROS	- - -	Asst. Cashier
HARRY LAWTON	- -	Mgr. Foreign Dept.

Comparative Showing of Deposits

February 14, 1908	-	\$ 9,887,954.84
February 5, 1909	- -	11,617,691.24
March 29, 1910	- -	15,041,357.21
March 7, 1911	- -	21,574,956.79
June 7, 1911	- -	23,137,746.88
September 1, 1911	- -	24,500,075.82
December 5, 1911	-	25,445,199.89
February 20, 1912	- -	26,207,446.32
April 18, 1912	- -	27,287,752.30
June 14, 1912	- -	28,433,836.35
September 4, 1912	-	31,041,482.12

Three per cent interest on savings accounts.

Deposits made on or before the tenth of each month bear interest from the first.

The officers of the Fort Dearborn Trust and Savings Bank offer their services to clients who are seeking choice **high grade bonds** and seasoned securities.

Acts as Administrator, Executor, Guardian, Conservator, Assignee, Receiver, Transfer Agent and Registrar.

In fiduciary capacity as agent makes investments, collections and disbursements.

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CHAS. A. TILDEN	- - - -	Asst. Cashier
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MONROE AND CLARK STREETS

J. N. Dolley on his "Blue Sky" Remedy

I am pleased to meet with the bankers of Illinois to-day here in the beautiful city of Peoria. We, as bankers, are an important part in the business world. No community, no commonwealth or nation, can be stronger financially or commercially than its banks are strong. No bank can be stronger than its managing force is strong.

The fundamental principles of banking to-day are the same as when the first bank was opened hundreds of years ago, and if you devi-

Illinois bankers at Peoria hail the discoverer of the "Dead-Shot" remedy for fake stock and bond promoters. Mr. Dolley tells his story in a simple effective way and names the states which have followed in the wake of Kansas

vancements in Kansas. On some of them, you may not all agree with me, but they have done a great deal of good in Kansas banking circles, and some of them are rapidly spreading and being adopted by other states as sound and conservative banking principles.

I believe that much of the success and standing of a bank depends on its first organization. With this in mind, we secured the passage of a law in Kansas providing that a careful investigation be made before a charter is granted for a bank, for the purpose of ascertaining what the community's needs and demands were for additional banking facilities. During the past two years, we have refused more than fifty bank charters. We refused more than twenty before the law was passed. The law went to the supreme court of Kansas and the court said that it was constitutional. It must, of course, be administered fairly, honestly and frankly, without any prejudice or any likes or dislikes within the breast of the bank commissioner who has the right to refuse their applications. My contention is that where a community has sufficient banks satisfactorily to take care of its business and those banks generally are satisfying the people of that community, and are good strong banks, perhaps making some money, that additional banks should not be allowed to start when they will simply divide the business of the other banks and instead of having good, strong, and solvent banks, we will have a number of weak ones, some of them or all of them in danger all the time.

The Supreme Court of the United States has said in a Kansas case in connection with the guaranty law, that, under the constitution, the state has the right to enforce police power over banks, that it may go from regulation to prohibition, prohibiting the institution of the



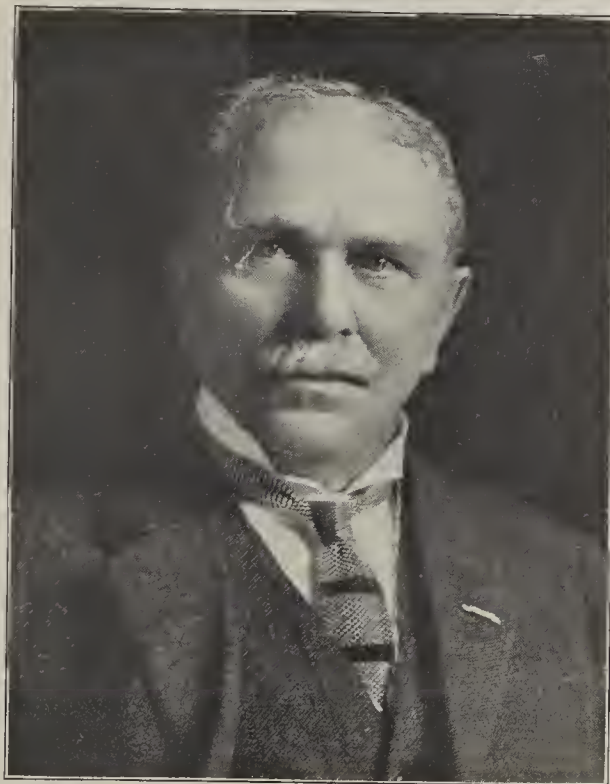
J. G. WAKEFIELD
Chicago
Assistant Cashier Corn Exchange National

ate from those principles far, it means your failure. Conservatism, character and collateral are the important parts or principles of banking. And these same principles apply to the grocery store and to every other business in the commercial world. The same principles that the successful banker uses, applied to any other business means, in most cases, the success of that business.

There has been wonderful progress made, gentlemen, along the lines of bank supervision during the past three or four years: more progress and advancement than had been made during the ten, fifteen or twenty years preceding it. Not only has there been progress and advancement made by the several state departments, but there has been much progress made by the national government. The present comptroller of the currency, the Honorable Lawrence O. Murray, is, in my judgment, one of the ablest and most progressive that has ever held that position up to the present time. He has done much for the national banks.

I am advised that in Illinois you have about five hundred private banks that are not subject to state supervision and that the question is being discussed and agitated as to extending supervision over these private institutions. I

believe the position you are taking along these lines is correct and that if Illinois expects to keep up with the rest of the states with its state banking institutions, it will be necessary for your state government to supervise closely and well all private banking institutions. The banking department of Kansas when first instituted and before its institution, received much opposition from private banks as well as incorporated banks. There is not a state banker in Kansas to-day who would entertain for a moment the proposition of dispensing with our banking department. It has done a great work for the depositing public, as well



AUGUST BLUM
Vice-president First National, Chicago
Ex-president Illinois Bankers Association

as the banks themselves. I do not believe that the time is very far distant when the business world will refuse to do business with banking institutions that are not under state or federal supervision. The depositing public is entitled to supervision. Take, for instance, the bank with \$15,000 capital and \$150,000 deposits, which means that the stockholders of the bank have invested \$15,000 as against \$150,000 invested by the depositing public. I hold that those depositors should have something to say about the way that bank is run, and the only way they can do this is through state or national supervision.

We have made a number of material ad-



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Chicago
Assistant Cashier Continental and Commercial National

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

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Capital, Surplus and Undivided Profits, \$4,500,000.00

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Cashier

FRANK H. JONES
Secretary

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Assistant Secretary

The Hibernian Banking Association

Capital, Surplus and Undivided Profits, \$2,900,000.00

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The Capital Stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



EDWIN L. WAGNER
Chicago
President National Produce Bank

abuse the cashier. The cashier was a sturdy, husky young fellow and stood it about as long as he thought he could and then proceeded to throw the fellow out of the bank, which he absolutely was justified in doing. This party then started out and said he would break that "dam" bank, if it took every dollar he had. He sent us an application for a charter and I sent for him to come to the department. After some conversation, I told him about what had happened in the bank that morning. He at first denied it, but finally admitted that it was true. I then said to him: "I am not here, as bank commissioner, to assist you or any one else in wrecking banks. It is my duty to see that they are not wrecked, and as long as I am bank commissioner, I will not permit you to start a bank in that town, with the intention of breaking the present bank," and we refused to grant him a charter. On the other hand we do not permit banks to take advantage of the fact that we have the power to refuse applications for new banks. When an application is submitted for a new bank in a town on account of the fact that the present bank is not treating the people of that community as it should



CHARLES S. CASTLE
Chicago
President Standard Trust and Savings Bank

FIRST NATIONAL OF CHAMPAIGN

First National of Champaign is the bank of which B. F. Harris, the retiring head of the Illinois Bankers Association, is vice-president. The other officers are H. H. Harris, president; N. M. Harris, vice-president, and H. S. Catron, cashier. The late B. F. Harris, Sr., was the father of H. H. Harris and the grandfather of B. F. Harris. N. M. Harris is a brother of B. F. B. F. Harris, Sr., is in the Illinois Farmers' Hall of Fame. There are only six there so far. The capital stock of the First National

treat them, that bank is advised that if they do not run their bank as it should be run and treat the people of that community as they should be treated, the application for a new bank will be granted. This generally brings them to time in short order and I want to say to you that this law has done a wonderful lot of good.

We go further than this. When a charter is granted for a new bank, we notify the president and cashier of the bank that they will be expected to come to the banking department before the bank starts, and spend two or three days in taking an examination. We have a self-constituted examining board, composed of myself and my first and second assistants. We give them a written examination on the Kansas banking statutes, the corporation laws as they pertain to banking, the negotiable instruments law and general banking and business practice. We do not limit this requirement to new banks, but it applies to all new cashiers or managing officers of Kansas state banks. Persons taking these examinations must make at least seventy points to pass. If they fall below this, they are given thirty days to study up and we then give them another examination. If they fail this time, they are rejected for one year. If they pass the examination they are given a certificate or diploma setting forth the fact that they have successfully passed the examination.

In this department order, which we have issued to all Kansas state banks, we also require that a new cashier or managing officer must have had at least two years' actual experience in banking in Kansas, or four years outside of Kansas, before he will be accepted at all. I believe that this is good banking.

The history of banking shows that much of the trouble in banks is caused by incompetency, lack of education and experience in banking, without any preparation by the would-be banker to fill the responsible position of managing officer of a bank. Many men are allowed to go into the banking business who have no talents, experience or education for this great, important work, and disastrous results too often follow, and it often is found



THREE GENERATIONS OF THE HARRIS FAMILY
Champaign, Illinois

is \$65,000, surplus, \$152,970, and deposits, \$1,128,860. The bank recently opened up a savings department and is the only national savings bank in Champaign. Its new building is one of the finest banking structures in the Middle West.

bank in the first instance. It also said that when the Oklahoma legislature declared by implication, that free banking is a public danger and that incorporation and inspection are necessary safeguards, said the court, this court certainly cannot say that it is wrong.

Said the court further, it may be said in a general way that the police power extends to all public needs. It may be put forth in aid of what is sanctioned by usage or held by the prevailing morality or strong and preponderant opinion to be necessary to the public welfare. The power to compel beforehand cooperation and supervision, and thus it is believed to make a failure unlikely, must be recognized if the government is to do its proper work for the people.

The banker must take the business interests of his community and zone into his full confidence and counsel and see that they are thoroughly and reliably informed through supervision by the state or federal governments. The business interests of the country are interested financially to the extent of a four or five times greater investment than the stockholders and owners of banks. The banker might refer to his institution as "my bank," but the depositing public and the business interests are and should be the potent power.

That being true, I believe the power should be used in protecting your property and your bank as well as the depositors' interests. Should some irresponsible party desire to start a bank, which would not be for the best interests of your community, I believe that the banking department should have the power and should refuse to grant such a charter. I can point out to you numerous instances in Kansas where charters have been refused, which, had they been granted, would have resulted disastrously to all parties concerned. For instance, a certain party went into a little Kansas bank one morning and wanted to borrow \$1,500. He was advised that he had all the money borrowed that the bank could loan him under the law and any additional loan would be an excess loan and in violation of the law. He became very angry and began to

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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J. S. CALFEE	-	-	Cashier	C. L. BOYE	-	-	-	Assistant Cashier

Official Report of Condition September 4th, 1912

Condensed

RESOURCES

Bills Discounted	-	-	-	-	-	\$14,886,089.76	
Demand Loans	-	-	-	-	-	5,020,700.13	\$19,906,789.89
Overdrafts	-	-	-	-	-	-	1,148.10
U. S. Bonds to secure Circulation, at par	-	-	-	-	-	-	800,000.00
Redemption Fund	-	-	-	-	-	-	40,000.00
Bonds to Secure U. S. Deposits	-	-	-	-	-	-	1,000.00
Other Bonds	-	-	-	-	-	-	1,054,567.98
Real Estate, Furniture and Fixtures, Etc.	-	-	-	-	-	-	293,887.89
CASH							
With Banks	-	-	-	-	-	8,296,919.97	
In Vaults	-	-	-	-	-	8,526,420.31	16,823,340.28
							<u>\$38,920,734.14</u>

LIABILITIES

Capital Stock	-	-	-	-	-	-	\$2,000,000.00
Surplus and Undivided Profits	-	-	-	-	-	-	2,812,220.63
Reserve for Taxes	-	-	-	-	-	-	30,000.00
Circulation	-	-	-	-	-	-	800,000.00
DEPOSITS	-	-	-	-	-	-	<u>33,278,513.51</u>
							<u>\$38,920,734.14</u>

Superior Facilities Offered to Correspondents

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 J. S. CALFEE, Cashier
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Oklahoma CityBoston
Detroit

upon investigation that their previous business career is badly tainted with dishonesty and an entire absence of moral character, so necessary in banking. The Kansas department is very anxious to elevate Kansas banking to the highest state of perfection and efficiency, and has decided that no steps can be taken to accomplish those ends with more certainty than our present position as to the preparation and education of the men for the Kansas banking service.

We issued this order some ninety days ago and we already can see its good effects. The principle is absolutely right. The lawyer, the doctor, and all other professional men are required by law to pass certain examinations, and why should not the managing officers of banks? They are public servants and are engaged in one of the greatest professions of them all, and you will all agree with me that there is nothing that will hurt a community, state, or nation more than a mismanaged or failed bank. We have the power under our law to remove cashiers and managing officers from state banks for incompetency. When we find a bank that is not being managed properly we notify the cashier or managing officer to come before the examination board and take the examination, and prove to us whether or not he is competent. If he fails in the examination, he is promptly removed from his position, until such time as he may qualify for the place.

We have very greatly improved our system of examination in Kansas and we believe that it will compare favorably with any other state in the Union. For over two years we have been requiring all directors to meet with the examiner and go through the assets of the bank with him, and at the close, sign and swear to a statement that all its assets are worth their face, except such ones as they may designate. This practice has a very wholesome effect in locating and eliminating bad paper. If a bank has any bad or questionable paper, some of the directors are going to catch it.

The directors are required to manage and direct their bank as their office implies and are not allowed merely to be figureheads. In one or two instances where shortages have appeared in Kansas state banks, the matter has been taken into court and it was shown that certain directors had not given the bank their attention and knew practically nothing about its management, and that court held that such directors were liable individually and collectively for such shortage and they were required to pay it.

It is one of the last things we do in Kansas, to close a bank when it is found in bad condition. Every effort is made to raise the money through its directors or stockholders necessary to put the bank on its feet again, and I am pleased to say that it has only been necessary for us to close two banks in Kansas during the time I have been bank commissioner, and their depositors were paid in full, before the bank was closed.

We have also established a secret service department in connection with the banking de-

partment, which is one of the most valuable assets we have. We secured a special appropriation from our legislature for this purpose. Very often, there is a question raised as to whether a certain cashier or managing officer of a state bank has not started on the downhill road, gambling, drinking in excess, or practicing some of the other vices which will sooner or later lead to his downfall. In these cases we immediately put one of our detectives in the field, and he shadows him for a few days, and in a large number of cases we have been able either to put a stop to it, or



WM. A. TILDEN
Chicago
President Fort Dearborn National

remove him before it has gone far enough to hurt the bank.

This secret service department has also done some wonderful work in ridding our state of bank robbers. At the time I became bank commissioner there were two of the worst gangs of bank robbers operating in our state that ever infested the Middle West, one on our south line, with headquarters in Oklahoma, and one on our north line, with headquarters in Nebraska. They would rob a bank in Kansas and escape across the state border and as a general thing would get away. They were robbing our banks of thousands of dollars, damaging our property and destroying a great many human lives. We have completely annihilated these robbers and have put over forty of them in the penitentiary, and we have not had a single bank robbery in Kansas for over a year.

Politics has been absolutely eradicated from the department, and not a single employee holds his job for political reasons. We have put the department on an absolute civil service basis. No one is employed until he has taken an examination and proven himself to be qualified for the position. We want the

very best men we can get, regardless of what their politics is, and I am pleased to say that we are getting them.

I am on your program to address you more especially on the subject of "Supervising Blue Sky Investments." It gives me much pleasure to have an opportunity to lay before you some of the benefits of this most important legislation. I venture the assertion that your good state could not pass a single law that would be of more benefit to its citizens and the people of the United States, especially those of the great Middle West, than the Blue Sky Law.

Of the numerous fake companies which have in the past operated in Kansas, fully two-thirds of them have had their offices in your state in the city of Chicago. I do not say this for the purpose of condemning your great city or state. Every great city is a beehive for these fake companies and the thieves and confidence men that promote them. We are all proud of the great city of Chicago, but this is a question which all states having large cities have to contend with, and I wish to impress on you the importance of meeting this situation and doing your full duty.

Kansas was the first state to enact a Blue Sky Law, and the only state having such legislation until just recently. A large number of the states are considering this law and some of them have enacted it. Arizona has adopted a law which is practically a copy of the Kansas law. Manitoba Province, Canada, has also enacted practically the same law.

We enacted this law in Kansas in March, 1911. It compels all companies, persons or agents who desire to sell any stocks, bonds or other securities in Kansas to submit information to the banking department which will enable the banking department to determine whether or not they have a bona fide proposition and one that is worthy of the confidence and consideration of the Kansas investor. The intent of the Blue Sky Law is to keep out of our state the promoter whose promises are as limitless as the blue sky and whose only intention is to sell the stock of his company without any thought of returning anything to the investor other than a highly decorated stock certificate.

At the time the law went into effect there were between four and six millions of dollars being annually taken from Kansas, which was absolutely lost to the investor as well as to the state of Kansas. Postmaster-General Hitchcock after careful investigation estimates that there is from three to four hundred million dollars annually lost by the investing public of the United States. This money was being taken from our state and a much larger amount is being taken from your state, to the headquarters of the promoters in New York and the East. And, gentlemen, ninety-eight per cent of it is either borrowed from your banks, or is taken from your deposits.

Of course, the good banker has no objections to his customers withdrawing their money or borrowing from his bank, if he knows or has reason to believe that they are investing it where it will bring them returns. He wants

CAPITAL, \$1,250,000.00

SURPLUS AND
UNDIVIDED PROFITS, \$550,000.00**DIRECTORS**

J. OGDEN ARMOUR
JAMES H. ASHBY
SAMUEL COZZENS
W. H. HEATH
A. G. LEONARD

**DIRECTORS**

EDWARD MORRIS
H. E. PORONTO
G. A. RYTHUR
J. A. SPOOR
EDWARD F. SWIFT
C. M. MACFARLANE

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G. A. RYTHUR, Vice-President

A. W. AXTELL, Asst. Cashier

H. E. HERRICK, Asst. Cashier

G. F. EMERY, Cashier

*The accounts of out-of-town banks, large or small,
are welcome and impartially valued by*

THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

The National Park Bank OF NEW YORK

ORGANIZED 1856

Capital - - - - \$ 5,000,000.00

Surplus and Undivided Profits 13,313,027.58

Deposits, September 4, 1912 106,615,117.95

OFFICERS

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JOHN C. VAN CLEAF, Vice-President

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LOUIS F. SAILER - - Asst. Cashier
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THOMAS F. VIETOR
EDWARD C. WALLACE
EDWIN G. MERRILL
JOHN G. MILBURN



W. T. FENTON
Chicago
Vice-president National Bank of the Republic

his customers to make money and become thrifty, because that helps his community and indirectly helps his bank, but no banker likes to see his customers send their money out of his community and state, where he is sure that they will get no return from it, and will probably have to borrow more money to take its place. I contend that the banker should be strongly interested in the passage of legislation to prevent this great evil and should lend his aid and co-operation toward securing such legislation and toward its enforcement after it has been secured.

Up to the present time about 1,500 companies of various kinds and characters have applied for permission to do business in Kansas under the Blue Sky Law. Fully three-fourths of these have been mining, oil, gas and stock selling schemes of a fraudulent nature, whose only intent was to get the investor's money and did not have the slightest thought of ever giving him anything back. The purchaser was not making an investment, he was not even speculating, he was merely giving his money to a bunch of thieves. Of the remaining one-fourth, fully half of them were of the most highly speculative sort, the kind in which the investor stands 98 chances to lose and possibly two chances to win. They were not investments but wild speculations, with no more chance to win than you have to beat a shell-game at a county fair.

But of the 1,500 applications which have been filed we have granted less than 100, and the greater majority of those granted were Kansas industrial and home enterprises. A large number of the 1,500 never got further than the application. It was not necessary for us to turn them down. As soon as they found out what information we were asking for, and what the nature of our investigation was going to be, they suddenly changed their minds and withdrew their applications.

This class of companies, as a general rule, has a prospectus and financial statement that makes a fine showing, one that all legitimate companies would be proud of, if they could make as good a one, but when you begin to

compare these statements with their books and the facts, and begin to pull the covers off and see what is underneath, you find the jokers in full evidence.

Some of you may have an idea that you are well acquainted with business matters and business affairs and that it is unnecessary to have a law of this kind for your protection. This is probably true to some extent, but I want to say to you that the best of us get tripped up sometimes. The banker is not immune from buying gold bricks. We have all bought them at some time or other. The only difference is, when we buy them, we put them in the closet and keep still about it, whereas the other people tell about it.

You probably have all realized in making investigations of corporations and promotion schemes that you do not have the authority to require of the concern in question certain information which you would like to have. Neither do you have authority to go and examine the company's books and affairs. Un-



W. T. ABBOTT
Chicago
Vice-president Central Trust Co.

der the Blue Sky Law we have a right to require any information we want from the company under oath, and also have the right to go and examine the company whenever we deem it necessary, with the same police power we have over banks.

It has been said that the people do not need a guardian to supervise their investments, but I want to say to you, and the most of you will agree with me, as business men, that a large per cent of them do need this kind of a protection and it would be of very great benefit to every citizen of the United States if they could have such supervision.

Almost every state in the Union has a banking department to regulate and supervise the banks. You as bankers are subject to the very strictest of supervision. Why should a bank be regulated and supervised any more than the stock-selling corporation? History and statistics show that the loss through banks to the public is but a drop in the bucket compared with the money which is lost through invest-

ment in worthless stocks and bonds offered to the people by unscrupulous crooks. In this connection it might be well for me to call your attention to the fact that letters of recommendation cannot always be relied upon. I regret very much to say it, but it is nevertheless true, that a great many bankers and business men give letters regarding certain persons, companies, or corporations for personal or other reasons, about which companies they know very little, and the company or corporation about which they give the letter of recommendation sometimes turns out to be a very bad proposition. I regret they often give favorable statements when they know they are doing wrong in doing so. For example, last fall a certain company came to my office and wanted to transact some business in Kansas. They had letters from a large number of big banks all over the United States, several of them from your state, financial journals, business firms, etc., in fact, I do not know that I ever saw a better line of endorsements. The company's officers have since that time proven that they were unreliable, unworthy of the confidence of the public, and were business crooks, and a receiver has been appointed to take charge of the company's affairs. It might be well for me to warn you at this time against giving letters of this kind unless you are sure of your ground and know exactly what you are

(Continued on page 23)

STATE BANK OF EVANSTON

State Bank of Evanston is the oldest bank on the North Side. It has a capital of \$150,000 and surplus of \$200,000. Deposits are \$2,929,061.01. The officers are as follows: William A. Dyche, president; H. J. Wallingford, vice-president; F. J. Scheidenhelm, vice-president and cashier; G. H. Tomlinson, assistant cashier and secretary; C. J. Luther and L. J. Knapp, assistant secretaries. The high financial standing and integrity of the men in charge of this bank have contributed largely to its success.



F. J. SCHEIDENHELM
Evanston, Illinois
Vice-president and Cashier State Bank of Evanston

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Editorial Comment

IN ILLINOIS

It will be conceded that the Illinois Bankers Association occupies a much firmer position in public confidence at the close of its twenty-second annual convention than ever before in its history. Its attainments in this regard cannot all be credited to any one year, but have been acquired through a series of progressive events happening within the past five years. The younger element in the association became very restive under the old form of organization which delegated most of the visible, and all of the real, powers to a potential faction within its membership. This faction for many years kept a close hold upon the official roster, and times without number boldly passed out prepared committee lists from the wings. Every innovation, however apparently harmless, was opposed on the ground that no changes were desired. The younger men of the association, however, persevered and after a three years' battle succeeded in having adopted in Illinois the group system, after it had proven its efficiency in all of the adjoining states years before. This same aggressive element next undertook a revision of the constitution, which finally was accomplished at last year's session at Springfield, whereby the great body of the convention took over to itself the control which for nearly twenty years had rested largely with the private bankers of the state. That portion of the constitution which gave them "never less than half of all committees" and which gave them the presidency and the chairmanship of the executive council in the years that the state legislature was in session, was abolished. President B. F. Harris, who retired at the Peoria convention, was among the contenders at all times for rule by the majority. With his advent at Cairo as chairman of the executive council he took up the question of bank supervision in the state, and later on practically made it an issue of his administration. Among other things taken up during his tour through the chairs were the movements for better farming, for good roads, for more practical educational methods and a suggestion for the adoption of the "Blue Sky" law in Illinois, a law made famous by Bank Commissioner Doley of Kansas. With the aid of the stalwart young bankers of the state great progress has been made in nearly all of these subjects. Having been denied the authority of the council to appoint a committee to prepare a plan for bank supervision in the state, Mr. Harris polled the entire membership of the association, and the result was overwhelmingly in favor of carrying on the work. Thus it came about that a strong committee, headed by Charles G. Dawes of Chicago, prepared a plan for putting Illinois in the front rank of states where banking is supervised—a plan which was so liberal and broad-minded that opposi-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

tion to it was discovered only where selfish interests governed.

The association within the year has grown somewhat in membership, but very little in revenues. Among the states which have become distinguished for almost universal membership it ought to be possible to find a plan which could be applied in Illinois. The Illinois association is quite strong enough to secure the services of any of the successful secretaries from adjoining states, if that plan should be thought to be the solution. No bank in Chicago would hesitate a moment if it could have the opportunity of securing the services to itself of the most successful banker, say in Missouri, Iowa, Kansas or Nebraska. Why should the state association hesitate to secure the services of a secretary from any of these states, whose record might show an efficiency upwards of 100 per cent? These records are in existence and are obtainable. The time is past when it should be thought necessary to employ only natives in such capacities. It will be remembered that at one or two annual elections in Illinois there were receptive candidates from adjoining states. Their names did not get into the voting for the reason that the politically inclined on the council thought it the patriotic thing to do to resist all attempts to bring in an official from outside territory.

The resignation of Secretary Crampton tendered to force the issue of an increase in salary, gives the opportunity which is above referred to.

The convention finally voted down supervision owing to the presence of nearly two hundred private bankers, who added to their number many depository banks—enough votes to snow under those bold enough to come out in the open. Many refrained from voting and thus contributed to put the association in an ugly position. It appears to be opposed to supervision when it is not so opposed. Even

the private bankers are believed to favor supervision and will likely propose a measure in a short time. President-elect Phillips voiced the conviction of every member of the association when he said, "Mr. Harris has set a mark so high that the way for further improvement is difficult indeed."

FINGER PRINT SIGNATURES

Two Detroit banks—the Peoples State and Peninsular State—are said to be contemplating adopting finger prints as a means of identification of depositors rather than having the latter sign their names. The banks are provided with a fine powder which is spread over the paper and in which the finger impression is made. The plan is to use the first three fingers of one hand. This system ought to prove quite efficacious in preventing fraud, as there are no two persons whose finger-tips are identically the same. There always are certain distinguishing characteristics which render identification easy. Then, again, one's signature is very apt to change in time. People who are sick very frequently send an agent to the bank to withdraw money, and in such cases the signature often is shaky and uncertain as a result of the illness. It has not been decided definitely whether to use the system universally or only in the case of illiterate persons. This plan was explained to the bankers at the Detroit convention. It ought to prove of practical value, especially in the case of people who are unable to write their names.

MONEY TRUST HEARINGS TO BE RESUMED

At the time the Pujo committee adjourned its hearings in New York City it generally was understood and circulated in the press that they would not again resume until the second week in November, which, of course, was taken to mean that the hearings were not to be used as a political asset but would reopen immediately after the election. Word now comes from New York that a deputy sergeant-at-arms of the house of representatives, is in that city from Washington, armed with subpoenas which he is serving on the New York bankers. They are given to understand that they are to appear before the investigating committee on the subject of the money trust. This whole matter of the money trust inquiry was carefully handled at the Detroit convention of the American Bankers Association by George M. Reynolds of this city. He told of his own willingness to testify as to any material facts which did not injure the bank's customers, and so far as could be observed, he voiced the opinions of most of the bankers present on that occasion. The attorney for the inquiry, Mr. Untermeyer of New York, has returned from Europe a little earlier than was expected, and now is engaged in a governmental inquiry into a branch of the Standard

Convention Dates

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ¶ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ¶ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

Oil trust. The company immediately under investigation is the Walker-Pierce faction. President Samuel B. Bayne of the Seaboard National has been the star witness. It developed at the hearing that he was the president of a Texas company for eight years, owned but one share of stock and never attended any of the meetings of the directors, yet for the full eight years he drew a salary. It was President Bayne who is said to have paid Senator Joe Bailey the famous \$5,000 fee for suggesting a name for the Texas company. If Mr. Untermeyer goes after the witnesses in the money trust investigation with the same vigor with which he went after President Bayne and kept after him, the public will take great interest in the revelations. It is not to be thought for a moment, however, that anything directly connected with banking has very much similarity with the business methods of the Standard Oil trust or its subsidiary companies. It remains to be seen whether or not the developments will prove of benefit in enabling congress to arrive at better banking and currency legislation, but it ought to be understood that bankers have nothing to conceal except those things, the revelation of which might be prejudicial to the interests of their customers.

OPENING OF THE PANAMA CANAL

The opening of the Panama Canal in 1913 is certain to bear an important influence on the commercial activity of the United States, and, indeed, of the whole world. The period which must elapse before the opening will witness great preparation to participate in the greatest trade movement in the world's history. There are one hundred and fifty millions of people in North America who will contribute in some manner to the commerce of the canal, and in addition there will be trade from all of the countries of the world. It is but fitting that the United States should be the leader in this important trade revival, and to this end an effort ought to be made to induce vessels to seek cargoes at our ports, and the best facilities should be afforded for their loading and unloading. The wonderful period of crop prosperity which the country has enjoyed, and which it no doubt will continue to enjoy as a result of the interest which is being manifested in agriculture, ought very materially to

aid the United States to maintain its commercial supremacy.

GOVERNOR WILSON AND THE PURE FOOD LAW

Governor Wilson has strongly declared himself in favor of enforcing the pure food law. As might be expected, Colonel Roosevelt has given himself credit for any improvement there may have been in the matter of food control, notwithstanding the fact that he had very little to do with it and was reluctant to refer to it in his message when the subject came up in congress the fore part of his first administration. He now has allied himself with some of the faddists who advocate radical legislation along this line. What is needed is such a revision of the act as will render its meaning clear and provide means for carrying out its intent. Should Governor Wilson be elected to the presidency and succeed in cleaning up the agricultural department and in having adopted a law sufficiently stringent to protect the interests of the people, he will have rendered a signal service such as has been accomplished by none of his predecessors.

RETAINED, NOT "RETIRED."

Last week's CHICAGO BANKER said, in speaking of the St. Joseph, Mo., bank consolidation whereby the First National took over the Merchants, that "all the officers are retired." It was written "retained" but the proofreader had been to a picnic. Fortunately bankers are too sensible to be deceived by such a bull.



**CAPITAL
\$2,000,000.00**

**SURPLUS
\$1,000,000.00**

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ¶ Your account carried on the books of a solid, conservative bank adds prestige to your name. ¶ Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

BANKERS' SPECIAL FOR PEORIA

The special train which carried bankers from Chicago and surrounding territory to the Peoria convention, left over the Rock Island from the La Salle Street Station promptly at noon on Tuesday. Warren Cowles, division passenger agent for the Rock Island at Peoria, was in charge of the train. There were 105 bankers on board. The train consisted of two dining cars, three Pullmans, including an observation car, parlor, buffet, library and baggage cars. A table d'hôte luncheon was served. All of Chicago's banks were well represented. Among those from this city were Messrs. Farrell and McKee of Fort Dearborn, Fenton and Hurst, National Bank of the Republic, Corneau of the Central Trust, Coln of the Colonial Trust, Washburn of the Continental, Wakefield and Schoenck of the Corn Exchange, Blum of the First National, Henschen of the State Bank, Hazelwood of the Union Trust, and Clearing House Examiner McDougal. C. N. Stevens of Evanston and C. B. Wright of Crystal Lake also were on the train. Col. J. S. Aisthorpe came up from Cairo to go with the Chicago crowd. Messrs. Thompson and Crawford boarded the special at La Salle and George Woodruff and party at Joliet.

TREASURER D. A. WYCKOFF REPORTS

Treasurer D. A. Wyckoff of Alton reported the state of the association's finances. There was received from Treasurer Lockwood \$6,340.80, and \$20,500 from the collection of dues, making a total of \$26,840.80. Disbursements amounted to \$14,805.53, leaving a balance on hand of \$12,035.27.

STATE BANK OF FREEPORT

State Bank of Freeport is one of the growing banks of Illinois. Capital stock is \$125,000 and surplus and undivided profits \$180,000. Deposits are \$1,300,000. Fred Dorman is president, Henry Baier, vice-president, H. H. Antrim, cashier and O. W. Dorman, assistant cashier. The directors are: A. S. Held, H. H. Antrim, J. Fred Smith, Henry Baier, F. W. Hofer, Fred Dorman, Henry Otto, Jacob Weiss, H. F. Aspinwall, A. J. Stukenberg and J. H. Stealy.

The vault in the Bank of Altoga, a small town near McKinney, Tex., was wrecked by a heavy charge of dynamite one night recently and all of the money which the bank contained, about \$1,200, was taken by two men who made their escape.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

CHICAGO SAVINGS BANK AND TRUST CO.

ESTABLISHED 1902

State and Madison Streets

CHICAGO

Banks and bankers avail themselves of our Bond Department for buying and selling Railroad, Municipal and Corporation bonds. We are interested also in procuring entire issues of safe and attractive investment securities. The bank receives active and inactive accounts. We invite financial institutions to correspond with our officers regarding the service we render.

Capital, \$1,000,000.00

OFFICERS

LUCIUS TETER, President
EDWARD P. BAILEY, Vice-President
JOHN A. McCORMICK, Vice-President
W. M. RICHARDS, Assistant Cashier
H. T. SIBLEY, Manager Bond Department
H. L. SCHMITZ, Mgr. Real Estate Loan Dept.
WILLIAM T. ANDERSON, Auditor
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Oldest Bank in Illinois
SPRINGFIELD MARINE BANK
 SPRINGFIELD, ILLINOIS

OFFICERS

JOHN W. BUNN - President
 ERNST H. HELMLE - Vice-President
 HENRY BUNN - Cashier
 SHELBY C. DORWIN, Assistant Cashier

SEND US YOUR
Springfield Collections
 We will give them careful attention and remit on day of payment

Capital - \$300,000.00
 Surplus - \$300,000.00
 Profits - \$156,000.00
 Deposits, \$2,600,000.00

ORGANIZED 1851

Accounts of Banks, Corporations, Firms and Individuals Invited on Most Favorable Terms

J. N. DOLLEY ON HIS "BLUE SKY" REMEDY

(Continued from page 19)

talking about. In making our investigations in Kansas, we do not recognize letters of this kind. When a company submits letters, we write the author of the letter and ask him to report to us confidentially just what he knows about the company, and it often turns out that he knows very little or nothing about the company and sometimes we find that the letter has been forged.

We also have a great deal of trouble with those bankers and others who allow the use of their names as dummy-officer or director of the company, but who do not give the company any attention and know very little or nothing about the company's affairs, simply loaning their names as an officer or otherwise to add weight and prestige to the company and not having a cent invested in the company, their stock having been given to them for the use of their name. For the benefit of those of you who might be doing such a thing, I wish to call your attention to a recent decision by the New York Court of Appeals, which held that any officer or director who permitted his name to be used in connection with the promotion of a certain company and knew nothing of its affairs, and that company should chance to be mismanaged, that he could be held individually and personally responsible for any loss that might occur thereby. I was very much pleased with this decision, as I believe it will do a great deal toward cleaning up this class of companies and putting a stop to this practice.

The legitimate companies of our state rapidly are getting behind the law and complying with its provisions and assisting us in every way possible to enforce the law. The law in its operation not only keeps the illegitimate companies from robbing the investing public, but it keeps the money in the state where it can be secured by the legitimate companies for their use in developing their enterprises, whatever they may be. You can readily see that it is a very good thing for the legitimate company.

The enemies of the Blue Sky Law have criticized our law and say that it is not possible for a bank commissioner to judge all kinds of companies and tell whether or not they are good investments. I agree with the critics that it is not possible for a bank commissioner to judge them all. In Kansas, we do not attempt it. In the first place we do not attempt to say that when a company secures a license from this department it is a first-class investment and a sure thing. That is not the intent and purpose of the law, but the permit is a notice to the public that the proposition has been carefully investigated and that the re-

sults of that investigation led us to believe that the company would be, at least, handled honestly and upon a business basis with reasonable prospects of success, and that if the company does make anything, the stockholders will probably get it and not the promoters. With one of these permits, it is no trouble at all for a good, legitimate company to place its stock and finance itself in a very short time.

Further than this, we have the co-operation and assistance of the various state departments, such as the insurance department, as well as consulting engineers and experts at our state university, agricultural college, etc. For instance, when we get an application from an insurance company, we collect all the information possible regarding it, and then turn the matter over to the insurance department for further investigation and recommendations.

A company recently came to the department with what they termed a new electric battery, which they claimed would completely revolutionize the electrical world. They interested a number of our good citizens and demonstrated to one of our large railroads, who advised us that it looked like a marvelous thing to them. We sent the battery to the electrical experts of our state university and within thirty days they advised us that the

battery was an absolute fake. Of course, the company was refused permission to do business in Kansas, and the last we heard of them they were in Arkansas selling their stock and were meeting with more or less success along that line.

We have also received a large number of insurance company applications. Among them was one which was selling what they termed an income certificate, which was in every sense of the word a stock certificate only that it did not carry voting power and in case of failure or liquidation shared in the assets only after all other claims were settled. This certificate provided for a six per cent guaranteed dividend to be paid out of the earnings of the company. The company, we found on investigation, had an income of some \$40,000 from insurance written which was its only source of income, and its salary list alone amounted to over \$60,000 per annum, so you can see where the holders of the income certificates would be. And yet this proposition was endorsed by a large number of good business men and bankers from various parts of the country.

A company recently came into the state and asked permission to sell a million dollars of stock in their company and the only asset their company had was a contract with a certain insurance company to write life insurance for it and this contract was subject to cancellation at any time by the insurance company.

We have received hundreds of inquiries from all over the United States and a very large number from your state, asking about all kinds of stocks and securities of various companies, some of which have been out of existence for a number of years. In fact, our correspondence became so heavy that we were obliged to discontinue making investigations of companies outside of the state, unless they were asked for by Kansas people, or the company was selling or wanted to sell stock in Kansas.

This law has already saved the people of this state more money than it takes to run our entire state government during the time that it has been in operation, and a large credit balance over. In fact, I can point out to you specific companies who were doing business in this state which have since proven themselves to be fakes, and prove to your satisfaction that this amount of money has been saved our people, let alone the hundreds of thousands of dollars that would have been taken out of our state had not the law been in effect. For instance, I have a company in mind, which, at the time this law went into effect, had thirty or forty agents in the state and were averaging from \$150,000 to \$200,000 per month from our state alone. This company after careful investigation was refused permission to do

PEOPLES TRUST AND SAVINGS OF GALESBURG

Peoples Trust and Savings of Galesburg has the largest deposits of any bank of that city. Capital and surplus amount to \$363,787 and resources to \$1,544,517. Deposits on June 14th were \$1,180,714.82. The gain in one year was \$104,300. The bank has enjoyed a steady growth since its organization. The officers are: M. O. Williamson, president; W. H. Pankey, vice-president and W. A. Armstrong, cashier.



INTERIOR VIEW PEOPLES TRUST & SAVINGS BANK
 Galesburg, Illinois



The progress of a banking institution in one of the great money centers, where competition is extremely keen, depends upon its management and equipment for handling business.

The National City Bank OF CHICAGO

is less than six years old, and its resources are now Thirty-One Millions which represent a record breaking growth in American Banking. It opened for business February 5, 1907, with deposits of \$2,198,337.25, while the deposits on September 4, 1912, the date of the last call, were \$28,199,086.64.

Capital, \$2,000,000.00

Surplus and Profits, \$606,680.32

DAVID R. FORGAN, President

ALFRED L. BAKER - - Vice-President	W. T. PERKINS - - Assistant Cashier	WM. N. JARNAGIN - - Assistant Cashier
H. E. OTTE - - Vice-President	W. D. DICKEY - - Assistant Cashier	WALKER G. McLAURY - - Assistant Cashier
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The National Bank of Commerce IN SAINT LOUIS

*Capital
Ten Millions*



*Surplus
Two Millions*

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TOM RANDOLPH, Vice-President	C. L. MERRILL - Assistant Cashier	GEORGE R. BAKER, Asst. Cashier
W. B. COWEN - Vice-President	F. W. WRIEDEN, Assistant Cashier	H. C. BURNETT - Asst. Cashier
W. L. McDONALD, Vice-President	G. N. HITCHCOCK, Assistant Cashier	W. M. CHANDLER, Asst. Cashier

business in Kansas. A receiver has recently been appointed for the company and I doubt very much if the stockholders will get a single cent of their money back.

When a stock salesman approaches a Kansas investor, one of the first things the investor demands is to see his permit from the banking department. If he does not have the permit, the investor refuses to consider the matter at all. We are not troubled very much by companies trying to do business without a permit. At the time the law went into effect, every corporation and every bank in the state were furnished a copy of the law. We asked each of them promptly to advise us by wire if any person or company attempted to sell stock in their neighborhood who did not have a permit from the banking department. The matter was also published in all the country papers of the state. The department also has a force of bank examiners who make every town in the state and they closely are watching the administration of the law. When we receive advice that some one is selling stock in violation of the law, we immediately wire the county attorney of that county and have the party arrested at once. The law has become so thoroughly advertised in our state that it is almost impossible to sell any stock unless you have a permit from the banking department. The law provides penalties all the way from one hundred to ten thousand

dollars fines and from two to ten years in the penitentiary for its violation.

The innocent investor might be compared to the fertile subsoil of the tropical regions. From it may be taken several crops a year, apparently without exhausting any of its infinite productiveness or confidence. And this is no disgrace to the investor. Take, for instance, the farmer, who is one of our best citizens. A large per cent of them know practically nothing about judging an investment and they are not supposed to. They know how to farm and make a success of it. That is their line of business, just the same as your line is banking, but they are not acquainted with the ways of the promoter. They, together with our other citizens, elect their state and county officers, part of whose duties it is to charter, supervise and authorize companies to do business in their state. They have a right to expect that when a company is authorized to do business in their state that it has been investigated and is all right, or it



G. M. TRUMBO
St. Louis, Missouri
Assistant Cashier Mechanics-American National

bankers, to see to it that such legislation is enacted and such steps taken as will absolutely protect them against the wiles of the dishonest stock salesman and promoter.

I believe that we in Kansas have taken an advance step in the interests of the people which will revolutionize the entire business world and eventually lead to the regulation and supervision of all corporations, in the same manner as banks are now regulated and supervised. And it is perfectly right that they should be.

I believe that your association at this convention should select a committee for the purpose of drawing up a suitable bill along these lines, and that your association should by resolution recommend the passage of such legislation and do everything within your power to follow the matter up and see that it is enacted into law. I know of nothing that your association can do which will be of more benefit to yourselves and to the citizens of your state than this.

It will require some work and attention to get the law through, as there are a very large number of promoters in your state and elsewhere who will do all they can to keep it from being enacted, but you can see to it that it is enacted, if you give it the proper attention.

SALINE TRUST AND SAVINGS

Saline Trust and Savings Bank of Harrisburg has capital, surplus and profits of \$85,000; resources amount to \$410,500. J. B. Blackman is president and John B. Lee, cashier. The directors are as follows: A. W. Lewis, circuit judge; A. E. Somers, city court judge; G. W. Seten, furniture and carpets; J. V. Capel, physician and surgeon; C. V. Parker, real estate and loans; J. B. Blackman, president, and John B. Lee, cashier.

The remodeling of the main floor of the Northwestern National Bank of Sioux City, Ia., has been completed.

JACKSONVILLE NATIONAL BANK

Jacksonville National Bank has enjoyed a successful and prosperous career since its organization in 1870. It is now earning on about a 12 per cent basis. Capital and surplus amount to \$232,000 and deposits to \$1,100,000. The officers are as follows: Julius E. Strawn, president; A. A. Curry, J. R. Robertson, H. J. Rodgers, C. B. Graff and T. B. Orear, vice-presidents; Miller Weir, cashier, and W. G. Goebel and H. K. Chenoweth, assistant cashiers.



MILLER WEIR
Jacksonville, Illinois
Cashier Jacksonville National



GEO. M. BENEDICT
Chicago
Cashier Drovers Deposit National

would not have been authorized, and I believe that they are absolutely justified in this view of the matter. And I contend that it is a state's duty to provide for the regulation and close supervision of all companies and corporations doing business within its borders.

The promoter is one of the few characters in life who thrives on failures. His record is honeycombed with wreckage and failure and from each failure he emerges with plenty of money and erects a new company on the ruins of the former one, or perhaps in a new field, from which he makes more money than he did from the former enterprise. While the widows, orphans, and the poorer class of people, who form the investing public, and whose money he has taken by the millions, are denying themselves of the necessities of life, the promoter is all the time living like a millionaire and lavishly spending the money which he absolutely has stolen from them.

Our people must be protected along these lines, and it is our duty as American citizens and to our credit and benefit and interest as

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Accepted design for new \$145,000.00 bank building and equipment for

The National Bank of Decatur

DECATUR, ILLINOIS



The total work was designed and will be executed by

The Mosler Safe Co., Bank Dept., Chicago

E. Jackson Casse, Directing Engineer, negotiated the contract and will have charge of the work in its entirety

National Stock Yards National Bank

St. Louis Live Stock Exchange Building

National Stock Yards, Illinois

With assets of more than \$5,000,000, and having the accounts of every buyer and commission firm on the St. Louis Live Stock Market, we offer the maximum of security and satisfactory service to Bankers interested in the proceeds of sales made here

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M. A. TRAYLOR - - - Vice-President
C. T. JONES - - - Vice-President

O. J. SULLIVAN - - - Cashier
H. W. KRAMER - - - Assistant Cashier
R. D. GARVIN - - - Assistant Cashier

Agriculture and the Problems of American Rural Life

PART I

In the early days when George Washington was active in public life, he saw the beginnings of a decline in agriculture. This situation so aroused him that he made an earnest and urgent plea for the preservation of the natural resources. To be sure Mr. Washington had no conception of the great Middle West, as we now know it, nor was it possible for him to have any adequate conception of the magnificent agricultural resources of the country over which he was president. It is equally true that living before the days of improved agricultural machinery, his vision was bounded by the limitations of primitive agriculture. He was personally familiar with New England and saw that the soil was easily impoverished where methods in vogue at that time made no provision for the maintenance of the natural soil fertility. Soon after the opening up of the Northwest Territory, a vast tide of population into the new country led to the neglect of his counsel and to postpone the day when competitive agriculture forced the abandonment of many of the early settlements.

The Land Grant Act

In the late fifties there was much general discussion of the agricultural problems. Here in Illinois, Jonathan B. Turner was one of the pioneers who moved in the interest of what is now embodied in the famous Land Grant Act, under the leadership of Senator Morrill of Vermont. In Michigan and portions of New England there was aroused a public sentiment in favor of improved agriculture and it is interesting to observe that a New England member of congress, later a senator, should identify himself with a measure which should bring its largest rewards to the South and the West. The movement establishing the Agricultural Colleges and later the Experiment Stations was a distinct effort to lay the foundations of agricultural science and to provide for such education in the application of the fundamental science as would preserve and develop our agriculture.

Development of the West

Notwithstanding the fact that this benefi-

President W. O. Thompson, of the Ohio University, at the Peoria convention read a paper of such great value that it will be printed in full in the Chicago Banker, but owing to space restrictions will be divided into three parts. Following is part one

cent act became a law during the great Civil War, it is to be kept in mind that the enormous development of the country in the last third of the nineteenth century, the movement of

BANK OF GALESBURG

The surplus fund of the Bank of Galesburg bears a larger percentage to its cash capital than that of any other bank in that city. The bank stands second in this respect in Illinois, and ninety-third in the United States. The capital is \$125,000 and the surplus \$325,000. Assets are over one and one-half millions. The bank calls attention to the fact that it was incorporated in 1891 and is under the jurisdiction and supervision of the state. Deposits are well over a million. C. C. Craig is president; N. O. G. Johnson, vice-president; P. N. Granville, cashier, and C. E. Johnson, assistant cashier.



BANK OF GALESBURG
Galesburg, Illinois

farmers to cheaper lands, and the development of the great West, still further served to postpone the evils arising from a haphazard farming. The rapid development in the Prairie States and the application to farming of improved machinery led to wonderful results while the country was new and highly productive. The rapid increase of the population from 1870 until the present day has made increasing demand upon the products of the farm until in this opening of the first quarter of the twentieth century we are again confronted with the seriousness of the problems that arise out of a threatened diminution in agricultural products as related to the rapidly developing population centered in our cities. The recent census of the United States shows very distinctly that the drift toward the cities has not ceased and there are economic reasons why these conditions will obtain in the future. On the other hand the decline in rural population has been marked by a certain discontent with country life, a certain state of mind among the rural population which do not themselves promise a better agriculture. The city population and the intelligent business interests are coming to realize that unless something can be done to develop the productive power of the impoverished farms and to maintain the fertility of the soil generally, America will be importing food stuffs within a reasonable time and find herself confronted with an increased cost of living and a decreased power of purchase from other nations.

Rural Antagonisms

During all these movements there has been something antagonistic in spirit, at least, between the town and the open country. Something of class prejudice has been developed between the producer of the raw material and the commercial interests as represented both in the manufacturer, the commercial agent, and the financial circles. Wall Street has become a hated word in the ears of the millions. In many cases this is without any intelligence but none the less effective. I remember very well here in Illinois the antagonism that grew

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We accept Trusts of all kinds, act as Executor and Trustee under Wills and Manage Estates.

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JAMES A. HEMINGWAY, Secretary
HAROLD E. FOREMAN, Asst. Cash.
ANDREW F. MOELLER, Asst. Cash.
EDWIN G. NEISE, Asst. Secretary

Capital and Surplus \$1,500,000

STATEMENT

of Condition at the Commencement of Business Sept. 5, 1912

RESOURCES

Loans and Discounts.....\$3,492,325.21
Overdrafts.....141.15
Bonds and Securities.....1,029,286.10
Cash and Due from Banks 2,220,700.04

\$6,742,452.50

LIABILITIES

Capital.....\$1,000,000.00
Surplus.....250,000.00
Undivided Profits.....130,452.89
Reserved for Taxes and Interest.....7,828.31
Deposits.....5,354,171.30
\$6,742,452.50

OFFICERS

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WM. F. VAN BUSKIRK, Vice-President.

JAMES M. MILES, Cashier.
HENRY C. STEVENS, Assistant Cashier.

DIRECTORS

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GEORGE H. TAYLOR, Vice-Pres. E. H. Rollins & Sons
W. J. CARNEY, Prest. Carney Coal Co.
J. J. WALSER, Prest. Goss Printing Press Co.
ROBERT F. CARR, Prest. Dearborn Chemical Co.
FREDERICK A. HILL, Real Estate
P. D. CASTLE, Cashier Austin State Bank
O. T. HULBURD, Hulburd, Warren & Chandler
CHAPIN A. DAY, Formerly Treasurer Marshall Field & Co.

FRED F. BULLIN, Prest. Minnesota Malting Co.
WILLIAM H. COLVIN, Wm. H. Colvin & Co.
CHARLES S. CUTTING, Judge of the Probate Court.
A. R. MARRIOTT, Vice-President Chicago Title & Trust Co.
WM. F. MERLE, Prest. the A. H. Andrews Co.
J. H. ROBERTS, Roberts Bros.
WM. F. VAN BUSKIRK, Vice-President,
CHAS. S. CASTLE, President.

COMPARATIVE STATEMENT OF DEPOSITS

November 11, 1910	- - - -	\$1,411,604.44
March 8, 1911	- - - -	2,737,198.70
September 2, 1911	- - - -	4,570,351.30
April 19, 1912	- - - -	5,033,093.57
September 5, 1912	- - - -	5,354,171.30

CAPITAL and SURPLUS, \$1,250,000

STANDARD TRUST & SAVINGS BANK

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D. R. FORGAN
Chicago
President National City Bank

out of the belief that the town lived at the expense of the country. It is not my purpose to discuss the cause of this alienation of one portion of the population from another, but to call attention to it for the one purpose only of suggesting that a better understanding between citizens operating in different lines of industry must unite us in a patriotic purpose to conserve and develop all our resources if we are to maintain this great country as a suitable home for a high minded, liberty loving, happy and progressive people.

Agricultural Agencies

For nearly a generation the agricultural colleges have been teaching their students the important and fundamental facts concerning the maintenance of soil fertility. The agricultural press has co-operated with the agricultural colleges to spread intelligence as to better methods of farming, better methods of living on the farm and the means of maintaining agricultural efficiency. The experiment stations have in large degree furnished data by which the ordinary farmer could measure his own experience and from which he could secure information as to the best methods of procedure. The department of agriculture at Washington, D. C., under the support of the federal government, has done a large amount of research and demonstration work for the purpose of improving agriculture and in recent years has interested itself, quite actively, in the betterment of agricultural conditions generally.

Country Life Commission

Three years ago the Country Life Commission, appointed by the president of the United States, made a comprehensive investigation of rural life conditions for the purpose of suggesting to the country at large the nature of the problems involved, with a possibility of opening a way to their solution. Since that time men having large interests at stake dependent upon agricultural prosperity for the development of their business, notably in such cases as James J. Hill of the Great

Northern, have found it a matter of wise management to go beyond the mere point of encouraging settlers to locate by encouraging better methods in agriculture. Mr. Hill has put a large sum of money into demonstration experiments along the line of his railroad. We may recognize at once that there were commercial reasons underlying these investments, but we must not assume that he was lacking in patriotic motives, but had in view the social betterment of the population in that relatively new country. In addition to these movements there are other organizations having for their purpose the arousing and developing of public sentiment and an increase in agricultural products. As a result we have come to two conclusions: first, that agriculture must be made profitable, and second, that country life must be made comfortable and attractive. These two conclusions are but another form of the subject which I have been invited to present here this morning.

Unprofitable Agriculture

The assumption that all agriculture is profitable is not warranted by the facts. It is true that many farms in this country and in many portions of the country are in such a state of fertility that the annual returns are very satisfactory from the standpoint of investment. It is also true that in many other sections, and oftentimes on individual farms, the returns are far from satisfactory. Profitable agriculture, therefore, will not be reached until the entire agricultural region shall be brought into a state of profitable investment. This may involve the abandonment of some

ROCK ISLAND SAVINGS BANK

Rock Island Savings Bank of Rock Island is the oldest savings bank in that city, having been in existence twenty-two years, during which time it has gained the confidence and prestige which result from successful, conservative banking. Capital stock is \$100,000, sur-



ROCK ISLAND SAVINGS BANK
Rock Island, Illinois

plus \$100,000, and undivided profits \$130,810.68. Deposits are over two and one-half millions. H. S. Cable is president; H. P. Hull and P. Greenawalt, vice-presidents; A. J. Lindstrom, cashier, and W. G. Johnston, assistant cashier. Its splendid new bank building has been admired by all who have seen it. H. S. Cable, the president, is a member of the executive council of the A. B. A.



HENRY S. HENSCHEN
Chicago
Cashier State Bank of Chicago

of our farms, the changing of the cultivation of others, the more intense farming in some areas and better methods in still others. The point which I have in mind and which I wish to emphasize is that agriculture as a national enterprise has not yet been comprehensively studied and put upon a business basis, such as characterizes our manufacturing and financial operations. The farmer is naturally independent. We have always looked upon his life as the typical free American life. This freedom has grown out of his isolation. He is the slowest factor to co-operate frequently and continuously with his neighbors. Nearly all city enterprises and all enterprises of the same general character have steadily moved toward economic co-operation.

Farm Accounting

The bankers of Illinois would not think of declaring their independence of the banking institutions of the Pacific and Atlantic coasts, but what is more to the point, all these banking institutions have recognized certain banking principles and methods as essential to their own integrity, safety and prosperity. From the very nature of the case the farmer seems to have operated independently. As a result his finished product is handed over to commercial interests and the complaint has been that his own returns have been out of proportion to the profits made upon these products after they have left the farm. The farmer feels that the agitation concerning the high cost of living is an indictment of somebody else and that he can not be justly charged with bringing it about. It is perfectly obvious that no statistics are available to prove that American agriculture is universally or even generally profitable. It could be easily demonstrated in small acres and thoroughly disputed on other small areas.

The cost of producing a bushel of oats or a bushel of corn is fairly well known in certain small areas where crops are reasonably staple, but it is only the truth to say that thousands of acres west of the Alleghenies are farmed every year without any intelligent

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J. W. SPANGLER, Vice-President

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Capital and Surplus
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American Trust Company

Capital, One Million Dollars

710 Chestnut Street

Saint Louis

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HERBERT M. MORGAN, Asst. Sec'y

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 President Contracting and Supply Co.
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 President
NICHOLAS R. WALL
 Wall & Campbell, Insurance
JAMES WILSON
 President Wilson Stove Mfg. Co.

GROWTH OF DEPOSITS

Dec., 1909, \$1,396,685.21 Dec., 1911, \$2,943,358.81
 Dec., 1910, 2,271,473.03 Sept., 1912, 3,277,295.02

State Bank of Evanston

EVANSTON, ILLINOIS

A Trust Company

STATEMENT SEPTEMBER 5, 1912

RESOURCES

Loans and Discounts	\$2,096,988.34
Bonds	613,684.99
Real Estate (Bank Premises)	95,000.00
Cash on Hand	156,474.63
Due from Banks	363,888.21
	\$3,326,036.17

LIABILITIES

Capital Stock	150,000.00
Surplus Fund	200,000.00
Undivided Profits	33,896.35
Reserved for Interest and Taxes	13,078.81
DEPOSITS, Time	\$1,561,646.31
Demand	1,264,743.55
Special	102,671.15
	2,929,061.01
	\$3,326,036.17

OFFICERS

WILLIAM A. DYCHE, President
H. J. WALLINGFORD, Vice-President
F. J. SCHEIDENHELM, Vice-Pres. and Cash.
G. H. TOMLINSON, Asst. Cash. and Sec'y
C. J. LUTHER, Assistant Secretary
L. J. KNAPP, Assistant Secretary

Condensed Statement

First Bank and Trust Company

CAIRO, ILLINOIS

September 5, 1912

RESOURCES

Loans and Discounts	\$1,103,945.92
Bonds and Securities	358,872.44
Banking House	40,000.00
Safety Vaults and Fixtures	20,000.00
Cash and Due from Other Banks	348,965.30
	\$1,871,783.66

LIABILITIES

Capital Stock	\$ 250,000.00
Surplus Fund	50,000.00
Undivided Profits	43,800.97
Reserved for Interest and Taxes	10,375.00
Bills Payable	25,000.00
DEPOSITS	1,492,607.69
	\$1,871,783.66

J. S. AISTHORPE, President

H. R. AISTHORPE, Cashier

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KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

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F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier

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A LARGE CAPITAL AND SURPLUS WITH A STRONG ORGANIZATION ASSURES SAFETY



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Chicago
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other agencies it will require more than a generation to secure a satisfactory statement as to our farm conditions. Hitherto the banker has been satisfied if the farmer paid his notes, the merchant has been satisfied if he paid his bills; it is evident now that both parties are awakened to the importance of an annual statement of the farm as truly as to their own inventories and exhibits.

The problem remains, however, of bringing to the farmers a consciousness of the importance of farm accounting and of putting farm operations upon a satisfactory financial basis. Emphasis has recently been put upon other phases of farm life but I believe that the bankers will agree with me that a satisfactory financial statement that can be understood would do as much to produce a right attitude of the mind toward the farm as any other one thing that could be done. My personal experience in associating with the farmer is to the effect that very many of them are utterly unable to give an intelligent account of many farm transactions involving the question of profit and loss. So long as this condition remains farming can not meet the demands of either science or commerce.

Physical and Social Conditions

The third element in improving rural condition lies in the provision for physical comfort, for increased efficiency in farm and house labor, for improved sanitary conditions, for the development of such social institutions as will provide for wholesome, rational amusements, social organizations, and an effective



NELSON H. GREENE
Moline, Illinois
Cashier Peoples Savings Bank & Trust Co.

rural school and church. I am not in a mood to criticize farmers or other people for doing the best they can under given circumstances. It is obvious that great improvement has been made in the American farm home. In many portions of the country an appreciation of the teachings of modern science and a growing belief in the importance of preventive measures have led people to see that properly ventilated homes and good water are cheaper than doctors and medicines.

Woman's Partnership

The experience of the American farm-wife is often a sad story. Farmers have not understood how many of these improvements could easily be brought within their reach. The departments of home economics in our agricultural colleges have joined hands with the departments of farm management and rural engineering in trying to present to the limited number of college students the possibilities of the farm homestead and to teach that the conservation of the wife's labor and strength is quite as important to the farm as the utilization of improved machinery and better live stock. She is a partner in the business. Her children are her special care, but the household welfare must occupy the most important place. Labor saving devices for women, sanitary methods of living, economic use of food materials, would solve as many farm problems and improve as many social needs as added acres or increased output. Education and applied science have done very much more for the city woman and her home than for the farmer's wife and her home. Public sentiment needs to be aroused as to the importance of the conditions under which the farmer's wife and children live and labor. It must not be expected that these children,

LA SALLE NATIONAL BANK

La Salle National Bank is the oldest and largest in the La Salle-Peru-Portland district. Capital is \$100,000; surplus and profits \$151,495.90; deposits \$1,609,915.81. Every month the bank gets out a bulletin containing a summary of the financial and business situation. This can be had for the asking. George A. Wilson is president; C. Diesterweg and Wayne Hummer are vice-presidents and W. L. Parks, cashier.



INTERIOR VIEW LA SALLE NATIONAL
LaSalle, Illinois

knowledge on the part of the farmer as to the cost of producing the crop. If we are to have better agriculture and a permanently profitable agriculture we shall not reach the mark until the science of farm accounting has been brought within the comprehension of the average farmer and until he is willing to install a system of simple farm accounts that will enable him to know whether he is working for nothing and boarding himself or whether he is securing a dividend on his investments. Recently I saw in a church where a day was given to the study of the Rural Life Movement, a card bearing a statement that the average income of the farmers in that region was one hundred and fifty-three dollars annually. I failed to discover whether this was after allowing for interest charges and labor for the farm or whether it was the income to be placed against the value of his own labor. This may impress you as an extreme case, but I am confident that there are thousands of similar instances where farmers do not know the cost of producing crops nor have they estimated the value of the farm in its by-products. The statistics of the United States department of agriculture are oftentimes in this direction either defective or misleading. This method of farming operations has made it possible to impoverish the farms of the country unconsciously and at the same time to leave an unsatisfied state of mind with the farmer who is as truly a trustee in charge of the interests of others in farming as are the men in banking or any other business. Due regard must therefore be had to the preservation of the capital stock, which in the farm is land, live stock and implements. The agricultural colleges and experiment stations are making an effort to improve these conditions and unless their effort is supplemented by

PEOPLE'S TRUST & SAVINGS BANK

GALESBURG, ILLINOIS

Capital and Profits	\$363,787
Resources	- 1,544,517

OFFICERS

M. O. WILLIAMSON, President
W. H. PANKEY, Vice-President W. A. ARMSTRONG, Cashier

This strong bank, with the largest deposits of any bank in Galesburg, does a general banking business and invites the accounts of banks, firms and individuals. Prompt attention given to collections

The Jacksonville National Bank

JACKSONVILLE - - - ILLINOIS

Chartered in 1870

Capital and Surplus	\$ 232,000
Deposits	- - 1,100,000

OFFICERS

JULIUS E. STRAWN, President	MILLER WEIR, Cashier
A. A. CURRY, Vice-President	W. G. GOEBEL, Asst. Cash.
J. R. ROBERTSON, Vice-President	H. K. CHENOWETH, Asst. Cash.
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SAFE, CONSERVATIVE AND PROGRESSIVE
3 per cent interest paid on savings accounts

Moline Trust & Savings Bank

MOLINE - - - ILLINOIS

ORGANIZED 1869

Oldest Chartered Savings Bank in the County

Capital	- - - \$225,000.00
Surplus and Undivided Profits	80,000.00
Deposits	- - - 2,600,000.00

OFFICERS

H. A. AINSWORTH, President	
GEO. W. WOOD - Vice-President	O. F. ANDERSON - - - Cashier
EDWARD CORYN, 2nd Vice-President	O. T. BOHMAN - - - Asst. Cashier

DIRECTORS

H. A. AINSWORTH	CALVIN AINSWORTH	EDWARD CORYN
GEORGE McMASTER	GEO. W. WOOD	W. H. CHRISTISON
LOUIS SONNEVILLE	A. S. WRIGHT	EDW. A. SCHMIDT
A. E. FLOYD		O. F. ANDERSON

A General Commercial Banking Business Transacted
4% Interest Paid on Savings Deposits



The Union National Bank

OF STREATOR, ILLINOIS

Capital	- \$100,000.00
Surplus	- 250,000.00

OFFICERS

L. H. PLUMB, President	E. H. BAILEY, Cashier
S. W. PLUMB, Vice-President	W. C. FLICK, Asst. Cashier

DIRECTORS

L. H. PLUMB	JAMES SEXTON	M. W. JACK
S. W. PLUMB	C. H. WILLIAMS	W. H. BOYS
C. C. BARR	E. H. BAILEY	G. W. GRAHAM

Interest paid on Savings Accounts at the rate of 3 per cent per annum, compounded semi-annually

National Bank of Decatur

DECATUR - - - ILLINOIS

Capital	- \$ 200,000.00
Surplus and Profits	177,000.00

OFFICERS

B. O. McREYNOLDS, President	J. A. MERIWEATHER, Cashier
JOHN ULLRICH, Vice-President	JAMES M. ALLEN, Asst. Cashier
C. P. THATCHER, Vice-President	WM. A. PHARES, Asst. Cashier

Equipped to handle collections and the accounts of Banks and Bankers, we solicit your business

catching occasional glimpses of the better equipment of the city home representing less of wealth, will be content to return to a fruitful farm with a well appointed barn and not supplied with a well equipped kitchen. We have spent a large amount of energy on the farmer's problem to the almost total neglect of his wife and daughters. This has not been due on any unwillingness on the part of the farmer although in some cases they may have been unable to do as well as they knew, but in the majority of instances the condition is due to the fact that neither the dwellers in the city nor the citizens of the open country have appreciated the economic and social im-



RALPH VAN VECHTEN
Chicago

Vice-president Continental & Commercial National

portance of the well equipped farm home. There has been great improvement in the last decade in many of these particulars, but the fact remains that many American farms today will demonstrate that the housing of the people, the location of the house, and the care of its surroundings, have received less attention and less labor than the provisions for the live stock and the grain.

The efficiency of labor has been a one-sided question. My experience as a farm hand in Central Illinois within thirty miles of where I now speak, as well as in Ohio, together with observation in substantial settlements, is that farmers have been reasonably careful about the efficiency of men and reasonably willing to invest money for improved machinery and live stock in order to increase the revenue of the farm. On the other hand the assumption has been that women's labor and women's equipment for household management were of secondary importance. It is to the everlasting credit of the American woman that she has done as well as she has under all the circumstances. As the years go by one great reason for moving to town on the part of the older people has been that they might enjoy comforts which they supposed were impossible on the farm. Modern life has demonstrated that that supposition is false. The same amount of money invested in the farm home will ordinarily produce as much comfort, as much efficiency, and as much satisfactory sanitation as can be commanded in the ordinary small city. I realize that there are questions of fact that need to be demonstrated and that when the rural community can be brought to see and understand its own possibilities, great improvement will be made

BANKERS TRUST COMPANY

WALL AND NASSAU STREETS, NEW YORK



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☐ Acts as Executor and Trustee under Will, Trustee under Deed of Trust, Custodian of Securities, Escrow Depository, Guardian, Committee, etc., for INDIVIDUALS and as Trustee of Mortgages, Registrar of Stocks, Bonds and Notes, Transfer Agent, Fiscal Agent, Dividend and Coupon Agent for CORPORATIONS, and Depository under Re-organization Agreements.

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☐ Buys and sells foreign exchange and issues Travelers' Letters of Credit and Commercial Letters of Credit. This department handles the American Bankers Association Travelers' Cheques, for the issuance and protection of which this Company is the accredited agent.

Correspondence Invited.

Capital, \$10,000,000 Surplus, \$10,000,000



HUGO E. OTTE
Chicago
A. B. A. Vice-president for Illinois

for physical comfort and life itself made not only more efficient but more enjoyable.

Rural Amusements

Another false assumption has been that the town is the exclusive source of amusement and desirable social life. If this has been true, "the more is the pity." Modern education is coming to recognize the importance of the play period in younger life and the necessity of recreation and amusement for the older and maturer people. The lack of co-operation on the part of rural communities, together with the assumption that nothing was possible in the country, has been extremely unfortunate. In recent years rural conditions have greatly changed in this regard. Social centers are

being developed and provision is being made for a considerable variety of wholesome and attractive amusement. It will probably always remain true that the most gifted and the most artistic performances will be in the largest centers where great crowds and large revenues are possible, but this by no means prevents the rural community from developing its own possibilities. The rural school needs adjustment to rural conditions; so, also, does the rural church. The Grange, the Farmer's Club, the Farmer's Institute and the Rural Ball Field may be adapted to the needs of a community quite as well as in a city organization. In the state of Wisconsin, much public service has been rendered through the activity of the university in providing circulating libraries, in stimulating social and literary organizations and in the provision for a better social life. It is true we shall never solve the country problem by city people but it is also true that our public institutions of learning ought to have the rural point of view. It is their duty to administer as truly to the needs of the country as to the needs of the city. This



L. A. GODARD
Chicago
Member Executive Council, I. B. A.

Millikin National Bank

DECATUR, ILLINOIS

Capital	-	-	\$ 200,000.00
Surplus and Profits			357,000.00
Deposits	-	-	5,100,000.00

UNITED STATES DEPOSITARY

OFFICERS

ORVILLE B. GORIN, President	S. E. WALKER, Cashier
J. M. BROWBACK, Vice-Pres.	G. P. LEWIS, Asst. Cashier
J. P. GORIN, Vice-Pres.	W. A. HAMMER, Asst. Cashier

First Trust & Savings Bank

OF ALTON, ILLINOIS

Capital \$100,000.00

OFFICERS

H. L. BLACK, President	
H. E. KELSEY, Vice-President	D. A. WYCKOFF, Cashier
C. F. HERB, Vice-President	H. E. BUSSE, Assistant Cashier

DIRECTORS

H. L. BLACK, President Hapgood Plow Co.	D. M. KITTINGER, Merchant
B. F. HERB, President Federal Tool & Supply Co.	EBEN RODGERS, Secretary and Treasurer Alton Brick Co.
J. E. KELSEY, Capitalist	D. C. LEMEN, M. D.
	D. A. WYCKOFF, Cashier

SEND US YOUR ALTON BUSINESS

Saline Trust and Savings Bank

HARRISBURG, ILLINOIS

Capital, Surplus & Profits,	\$85,000
Resources	-
	410,500

OFFICERS

J. B. BLACKMAN, President	JNO. B. LEE, Cashier
---------------------------	----------------------

Send Us Your Collections—Prompt Attention Assured

First National Bank

ELGIN - - ILLINOIS

Capital	-	-	\$200,000
Surplus and Profits			126,000
Resources over	-		1,300,000

OFFICERS

D. F. BARCLAY, President	A. C. HAWKINS, Cashier
W. L. BLACK, Vice-Pres.	NEIL BOSWORTH, Asst. Cashier

Prompt attention given to all banking matters entrusted to us

Citizens National Bank

DECATUR, ILLINOIS

Capital and Surplus
\$300,000.00

OFFICERS

J. A. CORBETT, President	GEO. S. CONNARD, Cashier
JOHN CROCKER, Vice-President	M. JOHNSON, JR., Asst. Cashier

Prepared to give attention to every branch of the banking business

Farmers National Bank

SPRINGFIELD, ILLINOIS

Statement at the Close of Business September 4, 1912

RESOURCES	
Loans and Discounts.....	\$1,664,103.69
Overdrafts	7,904.34
U. S. Bonds secure circulation.....	100,000.00
Bonds, Stocks, etc.....	230,873.00
Premiums Paid	315.00
Redemption Fund	4,250.00
Bank Building and Real Estate	188,300.00
Cash on Hand	\$193,607.72
Cash with Banks	396,966.41
	590,574.13
	\$2,786,320.16
LIABILITIES	
Capital Stock Paid in.....	\$200,000.00
Surplus Fund	200,000.00
Undivided Profits	98,115.62
National Bank Notes Outstanding	99,250.00
Dividends Unpaid	1,260.00
Deposits	2,187,694.54
	\$2,786,320.16

OFFICERS

EDWARD D. KEYS, President	ALF. O. PETERSON, Cashier
SAM'L J. STOUT, Vice-President	GEORGE E. KEYS, Asst. Cashier
GEORGE PASFIELD, JR., Vice-President	EDW. SCHOETTKER, Asst. Cashier

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New York Coffee Exchange

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Chicago Board of Trade

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Tel. 3400 Rector
NEW YORK

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Tel. 2728 Wabash
CHICAGO

is not an impossible problem, but a neglected one. It is not too much to ask that the residents of our cities may have at least a correct view of these problems and be willing to co-operate in their solution. The welfare of the city for the past fifty years has depended in no small degree upon the quality of the young citizenship it has drawn from the rural districts. Certainly we can afford to recognize the obligation of the city toward the country and stimulate such activity as will maintain the rural community in its integrity and its ability to meet its own social, educational and religious needs. It is not necessary that we shall be personally interested in the matter of religion for us to understand and appreciate the fact that the rural church is a means of great social uplift and a guardian of the best interests of the community.

The whole country is now awake as to the importance of the rural school. In many localities reforms have set in that look to the education of the rural children in a way suited to rural life, and it is the belief of many educators that this will in no way cripple the efficiency of that portion of them who may eventually find their homes in the city.

UNION NATIONAL OF STREATOR

On July 1, 1912, the Union National Bank, of Streator, took possession of its new bank building, which was designed to afford every modern convenience in use by up-to-date banking institutions.

In taking possession of its new quarters, the



INTERIOR VIEW UNION NATIONAL
Streator, Illinois



O. F. ANDERSON
Moline, Illinois
Cashier Moline Trust and Savings Bank

bank enlarged its conveniences to accommodate the increase of business commensurate with its new equipment. This bank had its origin in 1870 as the Bank of Streator, and in 1874 was reorganized as a national bank under the name of The Union National Bank, since which time it has grown to its present position. The policy always has been conservative, adding from time to time all the reasonable and safe progressive ideas that go with good banking methods.

For banks with \$100,000 capital, the Union National Bank, of Streator, stands first in Illinois, in view of the percentage of their surplus and profit accumulation in respect to their capital. This position on the roll of honor is one which cannot be bought; it must be earned, and reflects credit throughout the entire community.

The contract for the building was let to the Mosler Safe Company, Bank Department, Chicago, E. Jackson Casse, directing engineer, for the total erection and completion of the entire building and attending equipment. Mr. Casse had full charge of all parts of the work and personally superintended the sub-letting of all contracts, sparing no time or expense to ful-

fill all trust placed in him by the bank. With no restrictions placed upon him, he doubled his efforts to produce a result equal to the best work of this character in the country. This splendid new building has excited favorable comment from all who have seen it. The present quarters of the bank are in keeping with the progressive policies which always have characterized its management. L. H. Plumb is president; S. W. Plumb, vice-president; E. H. Bailey, cashier; W. C. Flick, assistant cashier.

MOLINE TRUST AND SAVINGS BANK

Moline Trust and Savings is the oldest chartered savings bank in Rock Island county. It has a capital of \$225,000 and surplus of \$80,000. Deposits are \$2,600,000. H. A. Ainsworth is president; George W. Wood and Edward Coryn are vice-presidents; O. F. Anderson is cashier and O. T. Bohman, assistant cashier. Mr. Anderson has been very active in association and group work. He is the retiring chairman of group one and has been elected on the executive council of that group for the ensuing year.

WYOMING BANK INCREASES CAPITAL

The First State Bank of Powell, Wyoming, has increased its capital from \$10,000 to \$25,000. In addition to the present officers, J. B. Arnold, president, and T. W. Marshall, cashier, Abbott Williams was elected vice-president and A. C. Sinclair assistant cashier. A number of local men have been added to the list of stockholders.



UNION NATIONAL
Streator, Illinois

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums, ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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THE COAST LINE TO MACKINAC

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TOLEDO PT. HURON GODERICH ALPENA ST. IGNACE

THE CHARMS OF SUMMER SEAS

Spend your vacation on the Great Lakes the most economical and enjoyable outing in America. Daily service is operated between Detroit and Cleveland, Detroit and Buffalo; four trips weekly between Toledo, Detroit, Mackinac Island and way ports; daily service between Toledo, Cleveland and Put-in-Bay.

A Cleveland to Mackinac special steamer will be operated two trips weekly from June 15th to September 10th, stopping only at Detroit every trip and Goderich, Ont., every other trip. — Special Day Trips Between Detroit and Cleveland, During July and August. — Railroad Tickets Available on Steamers.

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Money to Loan on Real Estate

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661 WEST MADISON STREET, CHICAGO

PEORIA CONVENTION

(Continued from page 1)

Illinois, introduced a resolution recommending that the Illinois Bankers Association approve such legislation in the state of Illinois as hereafter would require state supervision of all banks (except national). This resolution was not voted upon at the morning session, but a recess was taken until afternoon, at which time the motion was lost by a vote of 224 to 125.

The afternoon session was devoted to finance and banking. Addresses were made by Harrington Emerson of La Porte, Ind., who talked on business efficiency in relation to finance and industry; Will B. McIntyre of the Peoples National, Rock Island, whose subject was "Bumps," and J. N. Dolley, Kansas' famous bank commissioner, who told the bankers of the operation of the "Blue Sky" law in his state. Mr. Dolley's address will be found printed in full elsewhere in this number.

Wednesday afternoon delegates and visitors were treated to a river excursion on the palatial steamer "G. W. Hill." A buffet luncheon was served at six o'clock and was followed by informal entertainment.

Thursday Session

Thursday morning was an agricultural session. Dr. William O. Thompson, president Ohio State University, Columbus, talked on agriculture and the problems of rural life. Dr. Thompson's address will be printed in THE CHICAGO BANKER in three installments, one of which appears in this issue. Other addresses were by Prof. W. G. Eckhardt, consulting agriculturist, De Kalb county, a summary of whose talk will be found in this number; Charles A. Conant of New York, who delivered the same address that he did at the Detroit convention, and the Hon. Hugh S. Magill of Princeton, a member of the Illinois senate. A resumé of Mr. Magill's talk appears in this issue.

Thursday afternoon was devoted to good roads. Addresses were made by Jesse Taylor, editor "Better Roads," Jamestown, Ohio; S. E. Bradt, De Kalb, Ill., chairman of the good roads committee of the Illinois Bankers Association, and the Hon. Percival G. Rennick, internal revenue collector, Peoria. Judge S. B. Montgomery of Quincy reported as chairman of the executive council, which was followed by reports of the secretary, treasurer and committees.

George Woodruff, president of the First National at Joliet, told of the methods adopted in Europe for financing the farmers.

Thursday morning the ladies were taken for an automobile ride through the city, and were entertained at luncheon at the beautiful Peoria

Diamond Collateral Wanted

Wanted—To buy diamonds taken as collateral. Business confidential. Goods can be sent c. o. d. Privilege examination

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George E. Keys

George E. Keys, assistant cashier, Farmers National Bank, Springfield, Illinois, is one of the active executive officers of this growing banking institution, which is as high a tribute as the bank could possibly pay to Mr. Keys' ability as a banker and financier, and simply shows the measure of esteem in which he is held by the officers and directors of this bank. He is thirty-two years old and is a member of a family that has been prominent in business and social circles in Springfield for several generations, his father, Edward D. Keys, being one of the foremost bankers and financiers in central Illinois, and who was actively connected for several years with the various committees of the American Bankers Association.



GEORGE E. KEYS
Springfield, Illinois
Assistant Cashier Farmers National

being also a charter member of the Illinois Bankers Association. George E. Keys has been appointed by the U. S. circuit court as trustee and receiver for an important bankruptcy case, and from his experience in this kind of work has become proficient in making various satisfactory reports and settlements. He served as a member of the local entertainment committee of the Illinois Bankers Association which met in Springfield in 1911, and bankers well remember how excellently they were treated by him and the courtesies shown them. He is interested in public affairs and is ready to support any measure he considers will be of benefit to the community in which he lives. He is genial of manner and has made hosts of friends, among whom he is very popular. Mr. Keys carries on his work with an energy and care that insures his success and he has every reason to be proud of the position which he now holds.

The Farmers National has a capital stock of \$200,000. Surplus and profits amount to \$300,000 and deposits to \$2,187,644.54.

Country Club at 1:30. In the evening there was a grand ball at the Jefferson Hotel.

Prof. W. G. Eckhardt Tells of Work Done in De Kalb County

Prof. W. G. Eckhardt, consulting agriculturist, De Kalb County Soil Improvement Association, told the bankers of the work which is being accomplished in De Kalb county in the way of improved agricultural methods and conditions. Mr. Eckhardt has had seven years'

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WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.

**MOLINE
ILLINOIS**

experience taking care of fields for the Illinois Experiment Station. He believes that the wheat and corn crops of Illinois can be doubled if the information possessed by the experiment stations is carried into practice. During the growing season his time is spent on the farms of De Kalb county. Five days in each week are used in going about from farm to farm and giving advice to their owners. On Saturday he attends to correspondence. Those who have special problems make it a point to come to the office on that day.

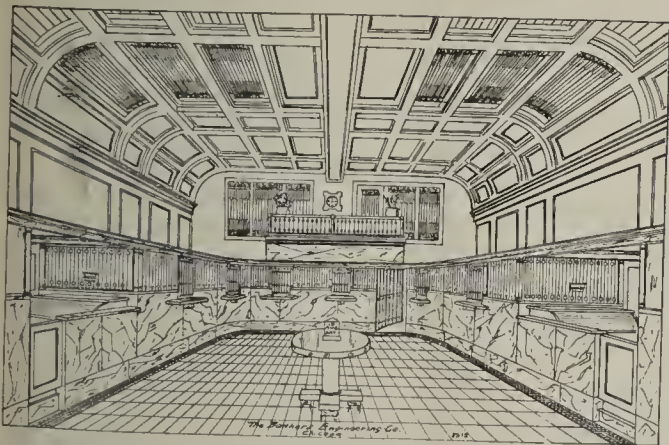
Meetings are held at various times, at which are discussed practical methods for improved farming. The speaker cited examples of common difficulties with which farmers are forced to contend, and told of their solution. The association is a clearing house for any problem which may present itself. The unselfish co-operation of the bankers and of the seven hundred farmers who have taken an active part in the De Kalb county work was commended by Mr. Eckhardt.

Hon. Hugh S. Magill, Jr., Addresses Convention

The Hon. Hugh S. Magill of Princeton, a member of the Illinois senate, delivered an interesting and practical talk on the conservation and development of our rural resources. He spoke of the interest which is being manifested by the banking fraternity in agricultural and vocational matters, and of the assistance which has been rendered the movement for soil conservation. Mr. Magill called attention to the fact that our food supply is not keeping pace with the increase in population, and gave statistics to prove his conten-

ELGIN BANK TO HAVE REMODELED QUARTERS

First National of Elgin will remodel its quarters. Arthur Rodman, president of the Bankers Engineering Company, with offices in the Monadnock Block, Chicago, has been engaged by the bank to look after this work. The present granite front will be discarded, and a new one of Bedford stone, twice the width of the old one, will be built. The interior of the building not only will be doubled in width but considerably lengthened. The front of the counter and the wainscoting will be of the most beautiful and expensive marble known,—Italian Pavanazzo. The lobby floor



INTERIOR VIEW FIRST NATIONAL
Elgin, Illinois

will be covered with gray Tennessee marble, and the decorations and furnishings will be in keeping with the balance of the improvements. One of the most striking features of the new quarters will be the directors' room, which will be done in the richest mahogany paneling, art glass windows and specially designed lighting fixtures, decoration and furniture. When this work is completed the First National will, without doubt, occupy one of the finest bank buildings in the Middle West. D. F. Barclay is president, W. L. Black, vice-president, A. C. Hawkins, cashier, and Neil Bosworth, assistant cashier. Capital stock is \$200,000 and deposits are well over a million.

tion. The decrease in supply has been accompanied by a tremendous increase in value. The falling off in the supply was attributed to the large proportionate increase in our urban or consuming population, and a corresponding decrease in the rural or food producing population. In the last ten years our urban population has increased 34.8 per cent, while the rural population has increased but 11.2 per cent. Mr. Magill believes that it is possible to increase the production of our farms; that by the application of practical, scientific principles the fertility of the soil can be preserved and increased; that insects and diseases which destroy or greatly reduce the crops can be eradicated and that our farms can be made to produce on an average twice as much as they now are yielding. This subject is of vital interest, not only to the farmer, but to the entire public, as increased production naturally will be reflected in increased business activity and prosperity. The speaker told of the time and money which are being spent by business concerns in the matter of agricultural and educational campaigns, and of the good work which is being accomplished by our agricultural colleges and experiment stations. The demand for the men turned out by these colleges is far greater than the supply. Farmers' institutes are doing much to awaken interest in agriculture, establish higher ideals and teach more improved and scientific methods. The belief was expressed that the legislature will support any sane and carefully thought out plan for the conservation of our soil fertility, the eradication of diseases and the general promotion of country life progress. The national government has evinced a willingness to assist in the matter. Mr. Magill believes that what we need most is a unification of forces through a definite plan of organization that will reach down to the everyday work of the farmer; that we must get out of the general down to the concrete and specific, for this whole rural problem ultimately must be solved through the individual farmer on his own farm. The speaker emphasized the necessity for organization and co-operation and the combination of scientific knowledge with practical experience and applied directly by the farmers themselves. He advocated the formation of organizations in each county for the purpose of securing expert counsel on soil and crop conditions, for the promotion of better education, good roads and other matters pertaining to country life progress. He believes that these organizations should be encouraged by enabling legislation that will permit the counties to give them certain financial support. This will not force the movement on any county until there is a popular demand for it, and will permit people to take the initiative. Mr. Magill believes that every county farm in the state ought to be an agricultural experiment station on a broad scale, conducted under expert supervision in such a manner as to make it most productive, and as nearly as possible a model farm. To bring about the formation of these county organizations a voluntary central organization should be formed, composed of representatives of such associations as may be interested in promoting the movement, to formulate a systematic plan of action. Such a plan doubtless would provide for sending out one or more state organizers to lay the matter directly before the farmers and to secure the co-operation and support of the bankers, business men, educators, newspapers and local organizations of the county. In this way definite and practical results can be accomplished.

S. E. Bradt on "The Solution of Illinois Road Problems"

S. E. Bradt of De Kalb, chairman of the good roads committee of the Illinois Bankers (Continued on page 38)

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

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Cedar Rapids, Iowa

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L. J. YAGGY, Cashier

A. F. DAWSON, President

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National Stock Yards - Illinois

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FARMERS NATIONAL OF PEKIN

Many bankers who attended the Illinois convention at Peoria this week found much pleasure in a trolley ride down to Pekin and an inspection of the fine building and vaults of the Farmers National of that city. The remodeling of the former quarters of this progressive bank and of some additional space which was secured, was completed last spring at a cost of \$90,000. The Farmers National now occupies a bank building which would reflect creditably to any city much larger than Pekin. Organized in 1875 with a capital stock of \$50,000, this institution has enjoyed \$100,000 and surplus and undivided profits amount to close to \$150,000. Deposits are \$1,057,606.01. Among its former officers are Jonathan Merriam, former pension agent at Chicago, who was the first president; A. B. Hoblit, vice-president of the State National at Bloomington, formerly cashier; B. R. Hieronymous, president of the Illinois National at Springfield, also a cashier, and A. H. Purdie and C. H. Turner, now cashiers respectively of the German American National and Herget National of Pekin. The present officers are

as follows: J. M. James, president; V. P. Turner and G. A. Steinmetz, vice-presidents; A. A. Sipfle, cashier, and J. M. Speers, assistant cashier. The directors are: John Alfs, John Fitzgerald, J. M. James, Frank F. Riese, Adam Saal, G. A. Steinmetz and V. P. Turner. The Farmers National enjoys the respect and confidence of all of its patrons and a reputation for stability which is the result of thirty-seven years of safe, conservative banking. The untiring devotion to duty, the efficient service, and the business acumen and good judgment of the men who have been at its head have placed this up-to-date bank in the foremost rank of the strong financial institutions of the state.

NATIONAL BANK OF MONMOUTH

National Bank of Monmouth is the oldest and largest bank in Warren county, having been organized in 1870. It also enjoys the distinction of having the largest capital and surplus of any national bank on the C. B. & O. Railway, outside of Chicago, to Omaha, Neb. Capital stock is \$200,000, and surplus and profits, all earned, are over \$200,000. Deposits are well over a million. W. C. Tubbs is president; F. A. Martin and O. S. French are vice-presidents; D. E. Gayer is cashier and J. A. Tubbs and L. A. Norman are assistant cashiers. Mr. Tubbs, the president, has been in the banking business in Warren county for thirty-eight years, and has been with the National Bank of Monmouth for thirteen years. He has been very prominent in association and group work. The bank has built up a large clientele on farm loan business.

CITIZENS NATIONAL OF DECATUR

Citizens National of Decatur has capital and surplus of over \$300,000. J. A. Corbett is president; John Crocker, vice-president; George S. Connard, cashier, and Milton Johnson, Jr., assistant cashier. Deposits are well over a million.

PEORIA CONVENTION

(Continued from page 37)

Association, pointed out to the bankers that poor roads not only affect the cost of marketing crops, which is borne by the consumer as well as the producer, but they retard our social, religious and educational progress and development and cause the inhabitants of the farms to flock cityward. He believes that the increase in land values in this state resulting from improved roads would be in excess of three hundred millions. The state of Illinois, while ranking first in the matter of agricultural production is twenty-fourth as regards road improvement.

He said:

"The office of public roads of Washington, D. C., has estimated that from 15 to 20 per cent of our road mileage carries from 85 to 90 per cent of the traffic. Our present country road mileage in this state is approximately 95,000 miles. Twenty per cent would be 19,000 miles.

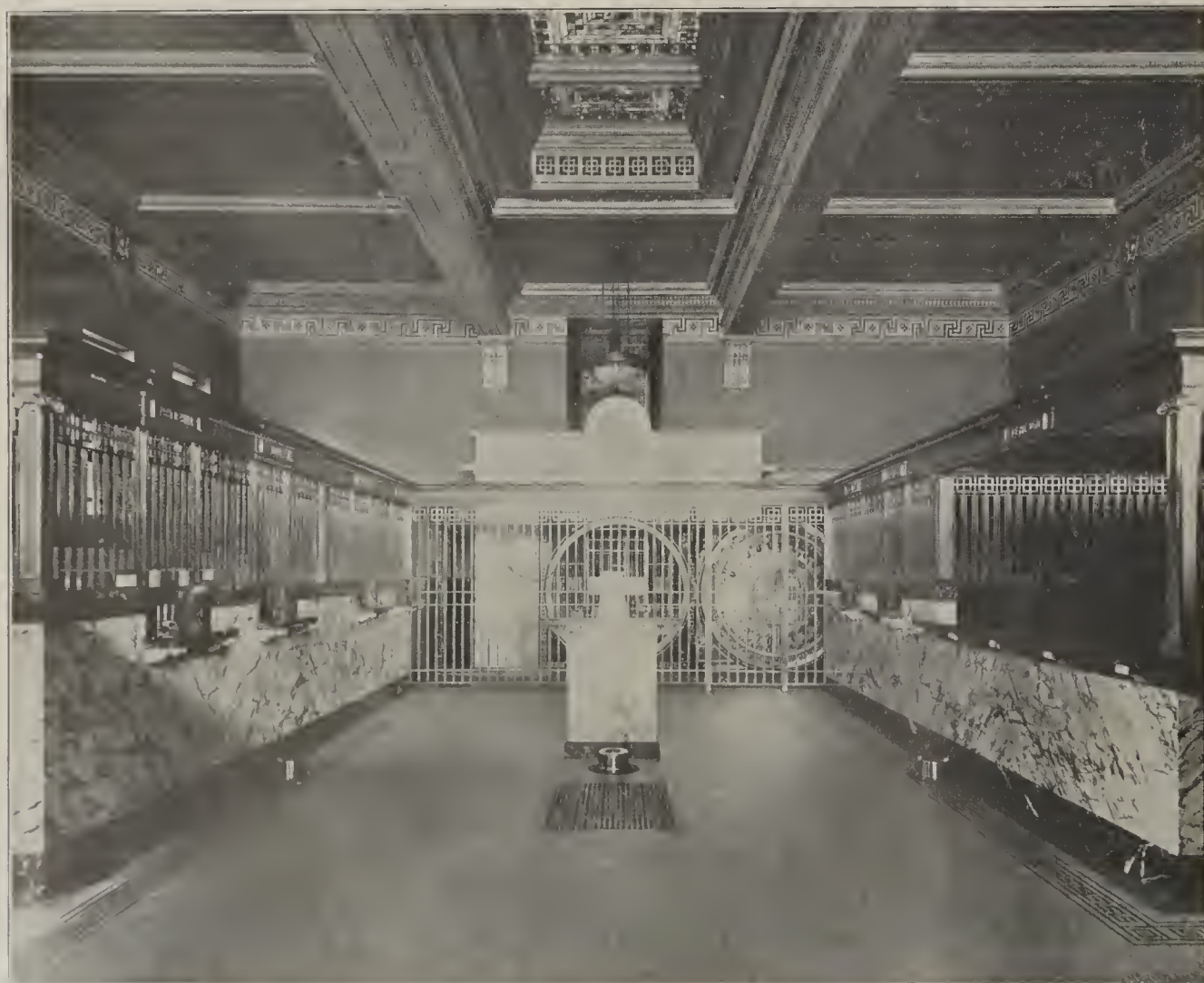
"Nineteen thousand miles of improved highways would give us improved roads crossing the state from east to west every six miles, also roads crossing the state from north to south every six miles, that is, we would have an improved road running east and west and one north and south through each township.

"Nineteen thousand miles of highways, built as suggested, would reach about 70,000 quarter sections, or over 86,400 farms of 129 acres each, which is the average size of the farms in Illinois. In other words, 86,400 of the 251,872 farmers in this state, over 30 per cent, would have an improved highway running past their doors, while an additional 45 per cent of the farmers would live on a road only one mile distant from this improved highway. These highways crossing each township in both directions would of necessity reach practically every village and hamlet in the state and connect with all of the through highways of adjoining states.

"Of the 19,000 miles, 3,000 miles already are improved with macadam, brick or concrete; thus leaving 16,000 miles of the main highways still unimproved. With the above in view, it would appear that our estimates can fairly be based on improving the 16,000 miles of main roads."

The material to be used in the construction of the roads will be determined by the traffic. Mr. Bradt cited statistics indicating the proportion of automobile to other traffic, showing that it rapidly is increasing. He believes that our main roads should be constructed of a material which will meet the requirements of the changing conditions of traffic, including the motor driven, and which will demand a minimum cost of maintenance; that on our trunk roads only hard-surfaced materials, such as brick or concrete, should be used. It was estimated that with the assistance of prison labor in preparing road material, and the co-operation of the railroads, concrete roads, 14 to 16 feet wide, can be constructed at a cost of \$9,000 per mile. The belief was expressed that these roads should be built at the combined expense of the federal government, the state and the county, but that until such time as funds are available from the federal government this work should be financed one-half by the state and one-half by the county.

At the present time four millions per year are being raised in the townships for road work. Mr. Bradt suggests that the state add a like amount to this sum. In this way the one hundred and forty-four millions necessary could be raised in eighteen years, and approximately nine hundred miles of roads could be improved annually. The additional tax necessary to enable the state to raise the four millions annually would be inconsequential. A man owning property worth \$1,500 would have to pay but



INTERIOR VIEW, FARMERS NATIONAL, PEKIN, ILLINOIS

70 cents per annum, and a farmer owning an average sized farm would have to pay but \$3.61. Mr. Bradt said:

"Possibly eighteen years is too long to wait for these roads. If the citizens of this state prefer to build this 16,000 miles of road in nine years instead of eighteen years, it can be done by issuing \$8,000,000 in bonds annually for a period of nine years, each annual issue of bonds to run for a term of nine years. Thus, beginning with the end of the ninth year, an issue of \$8,000,000 in bonds would be paid off and the entire amount of indebtedness would be canceled at the close of the eighteenth year. These bonds should be issued one-half by the county and one-half by the state, and there would be outstanding an average of \$36,000,000 for a period of eighteen years; and the average interest at 4 per cent per annum would be \$1,440,000 and would require an additional assessment of 5 per cent per \$100 of assessed valuation during this period to meet the interest. This would increase the average farmer's assessment \$1.30 per year over and above the \$3.60 which would be required to meet the state assessment of \$4,000,000.

"It is evident to all that the maturity of bonds issued for road construction should come well within the life of the road."

"All large enterprises must start slowly, and if the sum of \$8,000,000, which has been suggested, were made available by July 1, 1913, it would be an impossibility to organize the work so as to spend it judiciously within the following year. Therefore, let our legislature add a sufficient amount to the automobile tax to make the total amount available from the state, on July 1, 1913, \$1,000,000, and on July 1, 1914, \$2,000,000. Then apportion the same to the respective counties of the state on some equitable basis with the provision that these counties shall add an equal amount. We should then have on this basis available for the beginning of a state-wide system of highways the sum of \$2,000,000 in 1913, and \$4,000,000 in 1914, which would be as fast as the road building organization could be developed to utilize the money economically.

"Later, as our system of main highways, built under state supervision, shall increase, let so much of this fund as is necessary be used for maintenance. It is estimated that it will increase at the rate of about 15 per cent per annum and this undoubtedly will keep pace with our road building, and, with properly constructed roads, will furnish an ample maintenance fund for many years to come."

In Favor of State Supervision

As a subsequent development Chicago's private bankers, notwithstanding the action of the convention at Peoria, have declared themselves in favor of state supervision. It is their intention to bring a bill before the next legislature providing for supervision and inspection by the state. The newly formed Chicago-Illinois Private Bankers Association is back of the move, and they claim that they have a following of seventy-five of the 125 private banks in Chicago, and that they can pledge the support of all but two of that number. A statement has been issued in which is expressed the desire to go on record as favoring supervision. It is signed by Albert Haentze, Milwaukee Avenue Savings Bank, president of the association; P. A. Hines, Archer Avenue Savings, vice-president; Benjamin J. Glaser of the Glaser Savings Bank, secretary; M. C. Schiff of Schiff & Co., treasurer; Joseph Stein, banking house of Joseph Stein & Co.; John B. Devoney, International Savings Bank and O. Paisley, Edgewater Bank. The recommendations made by the Dawes report were endorsed, and dissatisfaction expressed at the result of the vote at Peoria.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

invitation signed by J. B. Forgan for the Chicago Clearing House Committee. The ladies especially were delighted and at once reverted to the fine souvenirs distributed at the last Chicago convention in 1908.

THE "boys" representing the Chicago banks, led by J. M. Hurst, were working on a plan to invite the convention. Mr. Fenton favored it and came near including it in his response to the address of welcome.

WHEN Mr. Blum heard of all this, matters took proper shape quickly under his masterful hand and the 1913-Phillips convention will be held in Chicago. The talk of headquarters hotel vibrated between the La Salle and the Congress, with the Sherman a close third.

WHEN the Chicago Tribune interviewed the "big banks" of Chicago it found them "all for supervision." Really the private bankers say they favor it. Supervision wasn't defeated at Peoria—only "voted down."

ON the matter of supervision some of the Chicago bankers said the representatives of their banks at Peoria refrained from voting on the resolution because of a desire on the part of the banks to remain neutral. Those who voted against it, it was said, did so because their banks did not regard the resolution as proper association business.

IN spite of this attitude every banker questioned said he favored state supervision of private banks as a general principle, but the qualification was added that such legislation should have proper regard for the rights of the individual.

SOME of the Chicago banks were represented by the bond departments, which do a fine business with the privates and did not wish to conclude pleasant relations.

THE new committee on administration of the Illinois Bankers Association will have to meet the Crampton "resignation" situation as one of its very first acts. Crampton asked for an increase in salary. It was referred to the committee to report for confirmation its action at the mid-year meeting of the council.

NOW comes the "Petard." Crampton is said to have written the Turner resolution which was adopted by the council as a slap at some of the active committees such as those on agriculture, good roads, etc. Under the resolution no committee can spend money without authority of council. The Turner resolution is binding upon the administration committee, as it is upon any other. Thus the "slap" is returned to its source.

THE administration committee does not have the power to increase salaries without approval of the council. So there you are. CASHIER.

BANK CLERK GETS TEN YEARS

Los Angeles, Cal., Sept. 16.—Earl Standard, the young bookkeeper of the American National Bank of Pomona, whose accounts were found to be \$150,000 short, pleaded guilty to embezzlement in the United States Court here to-day and was sentenced to ten years' imprisonment.

PITTSBURGH BANK CAPITAL INCREASE

The First National Bank of Pittsburgh stockholders will meet Oct. 14th to authorize an increase in capital from \$1,000,000 to \$2,000,000. Stockholders will be offered the additional stock at 175.

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- First: For temporary investment?
- Second: For permanent investment?
- Third: For income?
- Fourth: As a "secondary reserve" proposition, or
- Fifth: For appreciation?

In either of the above cases, we are prepared to submit offerings to conform to your needs, requirements and preferences. A letter from you will enable us to do this.

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Assistant Cashiers

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Tuesday, October 15, 1912, to stockholders of record at the close of business on Monday, September 30, 1912.
WILLIAM R. DRIVER, Treasurer.

Hathaway, Smith, Folds & Company Commercial Paper

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Correspondence Invited

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W. A. BULKLEY, Asst. Cashier
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The Girard National Bank OF PHILADELPHIA

Capital - - **\$2,000,000**
Surplus and Profits **4,716,000**
Deposits - - **46,275,000**

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A Weekly Paper Devoted to
and Financial Interests of the

King
West

OCTOBER 5, 1912

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10 CENTS A COPY

Indiana Conven- tion

The sixteenth annual convention of the Indiana Bankers Association will be held in the auditorium of the Claypool Hotel, Indianapolis, October 16th and 17th. There will be four sessions. Wednesday afternoon will be devoted to agricultural and good roads subjects. The trust company section will hold its session the second day at 2 o'clock. Some of the most prominent and interesting speakers now before the public will make addresses. A good line of entertainment has been provided by the local bankers. The ladies especially are invited to attend the convention and to participate in Hoosier hospitality.

SAYS FINANCIAL CENTER IS SHIFTING

John A. Lynch, president of the National Bank of the Republic, says that the financial center of the United States is shifting toward the west; that a few years ago the investing class of the country was confined almost entirely to the New England States; that a large proportion of the enterprises were dependent on eastern capital. He considers the change which has taken place during the past few years as nothing short of marvelous.

DOES NOT ANTICIPATE ANY DIFFI- CULTY IN FINANCING CROP MOVEMENT

Ralph Van Vechten, vice-president of the Continental and Commercial National, says: "Money continues in good demand with rates at from $5\frac{1}{2}$ to 6 per cent. While business is increasing in volume, we do not anticipate any difficulty in financing the crop movement, which is well under way in the Southwest. The banks of that section have taken care of this movement without discomfort. In the Northwest there has been some delay in harvesting and threshing, due to the wet weather, and the movement of grain is backward. As a result the banks of that section are in a comfortable position and stand ready to take care of the active movement of grain when it begins. To illustrate this situation I need only mention the fact that a Minneapolis banker recently told me that he had lent several million dollars on call, which had not thus far been required in the crop movement. The improved weather conditions, of course, will now hasten harvesting and threshing operations, but even so, the movement of grain in the Northwest will be slow, due to the shortage of cars. The banks of that section are in a stronger position than ever before, and will handle the movement with little or no assistance from their eastern correspondents."

NEW CHICAGO BANK

Officers and directors of the Central Manufacturing District Bank announce the opening of that institution at 1112 West 35th Street, from nine to five o'clock, on Monday, October 7th.

Two Who Have Joined the Procession



O. L. HISER
LEXINGTON, ILLINOIS



ARCH B. DAVIS
LOUISVILLE, KENTUCKY

Mr. Hiser, who is a bank cashier, had the fine compliment paid him at Peoria, of being elected treasurer of the Illinois Bankers Association by acclamation. The convention elects direct now. Formerly the council did it and there was much campaigning. He has joined the up-to-date procession.

Mr. Davis is the youngest "record holder" among the state secretaries. From being in debt the Kentucky association now is a bond holder and has 97 per cent of paid-up memberships. Six of the eleven groups show 100 per cent efficiency. He's in the procession also.

CITY SUPERVISION OF PRIVATE BANKS

The Chicago city council, being fortified by an opinion from the corporation counsel, on Monday night passed an order on the legal department of the city to draw up at once an ordinance placing all private banks in the city of Chicago under city supervision. It is intended that they shall be licensed in regular form as are other small business concerns, and that a board of examiners shall be appointed by the city to make frequent inspection of their account books. This is a new departure in the bank supervision field, and if successful may lead to prompt action in other cities working under charter privileges similar to those of Chicago. The Chicago Private Bankers Association, numbering eighty members, has gone on record as favoring supervision, and probably will work with the city in bringing about the preparation and adoption of an ordinance adequate to the situation.

Word comes from down state that the private bankers of Illinois, under the leadership of H. G. Henry of Camp Point, will take active steps to further the reform. Mr. Henry

was secretary of the private bankers' committee of the Illinois State Bankers Association last year and this year was made chairman of that committee. He is reported to be a believer in supervision and to have the active co-operation of President John D. Phillips of the Green Valley Bank, who this year is president of the Illinois Bankers Association. Most of the leaders in the movement who voted down the supervision resolution at Peoria went upon record as favoring bank supervision, if brought about in some other manner than by a majority vote of the state association. There now is a splendid opportunity for the Chicago Private Bankers Association to make good its formal declaration in favor of supervision, and for the down-state private bankers who are leaders among their kind to make good the promises so frequently heard on the floor of the convention hall at Peoria.

B. J. Stumm, cashier of the Yorkville (Ill.) National, visited Chicago on Wednesday. Mr. Stumm says that crops in the Fox River Valley are excellent; that bank deposits are stable and there is a fair demand for money.

Continent

C

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee

Commercial National Bank

CHICAGO

ASSETS AND PROFITS, \$30,000,000



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President	JOHN JAY ABBOTT Vice-President	GEO. B. CALDWELL Vice-President	CHARLES C. WILLSON Cashier	FRANK H. JONES Secretary	WM. P. KOPF Assistant Secretary
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank

NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON	-	President			
JAMES E. NICHOLS	-	Vice-President			
ROLLIN P. GRANT	- -	Vice-President	HARRY E. WARD	- - -	Cashier
WILLIS G. NASH	- -	Vice-President	D. H. G. PENNY	- - -	Assistant Cashier
BENJ. F. WERNER	- -	Vice-President	RICHARD J. FAUST, JR.,	- - -	Assistant Cashier
CHARLES H. IMHOFF	- -	Vice-President	J. FRANKLYN BOUKER	- - -	Assistant Cashier
EMIL KLEIN	- -	Vice-President	SAMUEL REDFERN	- - -	Assistant Cashier

Mainly About Banks and Bankers

F. W. ELLSWORTH, publicity manager of the Guaranty Trust Company of New York, has been offered and has accepted the chairmanship of the publicity committee of the American Institute of Banking. He will have associated with him some of the best equipped bank men in the country, whose names will be announced later.

PRESIDENT B. W. MOSER of the Institute has started in a way to justify the claims made by his friends during the campaign. We feel like "going on the bond" of the publicity committee for effectual service.

SUNSET Magazine has a fine tribute to Jacob Furth, chairman of the board of the Seattle National, and city railway magnate of the first order. His rise from emigrant ranks in 1857 is an interesting story. To-day he is the "main man" in Seattle banking, financial and civic matters.

EX-PRESIDENT B. F. HARRIS was in Chicago bright and early Monday morning having a few good-natured interviews with some of the bankers who did not "quite" come across on supervision matters. Every thing was good natured, but Mr. Harris still is a firm believer in supervision, also in the certainty that the next legislature will pass a bill of this description.

CONSIDERABLE talk was heard at Peoria on the part of the private bankers concerning certain alleged reflections cast upon the Illinois private bankers by Mr. Harris in his talks before the several state conventions where he appeared on the program. A careful examination of his printed addresses on these occasions develops the fact that in some states he did not mention supervision at all, and in most cases used only two paragraphs out of his prepared address, which contained in all a total of five paragraphs on the subject. Really Mr. Harris gave no offense in any of his addresses outside of the state. What he had to say was said direct in his home addresses, or sent out over his signature to every private banker in the state.

SHOULD those who are opposed to state supervision care to become informed as to how the press regards the subject, there has been printed a little pamphlet for the Illinois Bankers Association containing extracts from the leading papers in this state. This pamphlet will leave little doubt on this important issue. Copies can be had for the asking.

RUMOR has it that the very last thing Secretary Crampton did at Peoria was to deposit his letter of resignation in President John D. Phillips' box at the Jefferson. At the time of this writing it had not been withdrawn. There are many who fear that application for this withdrawal will be made.

PRESIDENT PHILLIPS was somewhat annoyed, so the story goes, in that the resignation contained a sort of a threat to send out a letter to the 1,200 members of the state association telling them "What is What" in

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

SAFE FOR SALE

Modern Mosler Bank Safe with triple time locks

Address, **J. D. WOOD**
1410 First National Bank Building CHICAGO

association matters. It is not conceivable that the administration committee of the Illinois Bankers Association is to be coerced by such a threat. Neither is it conceivable that President Phillips should allow a secretary, resigned or otherwise, to send out an official communication containing matter derogatory to present or past officials of the association and to that extent injurious to its interests.

PRESIDENT GEORGE WOODRUFF of the First National at Joliet made another of his big hits at the Peoria convention in his talk on farm financing. To enable those who heard him speak to follow the line of argument more clearly and with good recollection, Mr. Woodruff handed out a card not larger than a U. S. postal card, containing a complete outline of his address. This card contained references to agricultural credits in Europe and divided the topic into subdivisions on mortgage banks and credit banks, which again were subdivided. He treated also of European money rates and told of the need for mortgage banks in America. His address will be found printed elsewhere in this edition of THE CHICAGO BANKER, and is worth careful reading and preservation.

DOWN East the banking journals, or "vice-presidents," as they generally call them-

selves, do not dwell together in such complete harmony as do those of kindred professions (but without titles) in the West.

THE CHICAGO BANKER is in receipt of a nice little letter from Clifford DePuy, editor and publisher of the Northwestern Banker at Des Moines, requesting additional copies of its issue of September 14th. His letter concludes: "Permit us to congratulate you on this fine number, as it is a credit to yourself and banking journalism."

IN some parts of the country publishers of banking newspapers rarely speak to each other, and never well of each other's publications. They compel their friends among the banks to listen to their tales of woe at times when they might well be speaking kindly of their neighbors. There remain those in this line of business who believe that they are attracting favorable attention to their own publications when deriding, misrepresenting and condemning rival papers. Fortunately for the great West, Mr. DePuy does not belong to that category.

TWO more state bankers associations are to embark in the publication of a bulletin or house organ newspaper. They are to have a Pennsylvania Banker in Pennsylvania and a North Dakota Banker in North Dakota. In the latter case Secretary Macfadden is to be editor, and it may be expected that the paper will be a clean and wholesome sheet far above the average.

SECRETARY W. B. HARRISON of the Oklahoma bankers has sent out a circular to his membership asking them to remit for a copy of the proceedings of the second annual conference of the bankers' committees on agricultural education and development. This valuable document is furnished at bare cost of paper and printing, and is the best text-book on farm improvement matters which has come to our attention.

HENRY M. BALDWIN, treasurer of the New York Chapter A. I. B., has sent out a book of announcements for 1912-13, giving the full schedule of the evening courses of study. It shows that the educational department of the Institute is becoming more comprehensive year by year.

THE lectures provided for this season's entertainment and instruction by the New York Chapter cover in all sixteen practical subjects. Monday evenings will be devoted to lectures on English and Tuesday evenings to practical banking; special lectures are provided for Wednesday and on Thursday nights business conditions, investments, credits, commercial law and other subjects will be taken up.

GUARANTY TRUST COMPANY of New York has had printed "The Bank and the Newspaper," which is the subject of the address delivered by Fred W. Ellsworth before the state secretaries section at the Detroit convention. This is one of the clearest state-

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

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The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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Our Constant and Consistent Attention

TO THE INTERESTS OF OUR
CUSTOMERS, BOTH LARGE
AND SMALL, HAS WON FOR US
AN ENVIABLE REPUTATION

WE WOULD BE PLEASED TO EXTEND THIS SERVICE
TO YOU

THE LIVE STOCK Exchange National **BANK**
OF CHICAGO

Clever Philosophy of Kentucky Bankers President

Dante tells us in his Inferno, that upon coming to the junction of two streams, he was permitted by his Guide to drink of the waters of one stream, and immediately the mistakes and misdeeds of his past life were forgotten; and then he was told by the Guide to drink of the waters of the other stream; when, in panoramic review, he could see all of his successes and good deeds.

When, one year ago, you exalted me to this position as your president, I told you that I knew of no special fitness possessed by me, but that I would surround myself with excellent advisers, and, in that way, attempt to perform in an acceptable way my duties.

Your lovable and unsurpassable secretary, together with your genial and astute attorney, assisted by the members of the various committees, have so watched me and guarded my every act as to render me oblivious, as in the case of Dante, to any misdeeds of the past year. If they were made, they have been forgotten, and this report will only chronicle our good deeds and successes.

In preparing this, I have read with much interest the address of each of my illustrious predecessors, and note with much pleasure the truthful declaration of each, that the close of his administration leaves the association in the most prosperous condition of its history. Therefore, I feel that I am not deserving of adverse criticism when I declare unto you that this, in many respects, has been the most eventful year in the history of our association.

The group system, founded by Mr. Downing and perfected by Messrs. Utterback and Kehoe, has so thoroughly fulfilled the prophecies of these gentlemen, as to justify me in the claim that to-day, in point of membership, this association stands with the leaders among all state bankers' associations in the United States. Ninety-seven per cent of the banks of this state are now members of this association, and when you remember that with us a bank that has not paid its dues for the current year is regarded as a non-member, we confidently believe this percentage easily places us in the lead of all associations.

Our present membership is 593, being a gain of 16 over the splendid showing of last year. That the eighteen banks, which have so persistently refused our many invitations, have succeeded in keeping our membership from being one hundred per cent, has been a source of severe disappointment to me, and my only consolation is that my successor may be able, one year hence, to declare that his administration closes with the largest membership in the history of the association.

Each of the group meetings which I attended was a decided success; but I wish to especially mention the one at Olympia Springs, with a possible word of warning. This was a joint meeting of three groups; the place was ideal, and the program would have been a credit to a state convention; but the attendance not much larger than where only a single group met. This causes me to question the wisdom of any permanent arrangement of this character. There are many attractive features connected with such a meet-

J. K. Waller of Morganfield, at Louisville convention, comments on 97% efficiency of the association in membership and credits the group system and the secretary with results. Approves county organization also. Treasury shows fine business management. Wants a "Blue Sky" law. Praises secretary Fred B. Davis for his high qualities as executive

ing, and I am convinced that an occasional joint meeting of groups is wise; but, if carried too far, they may soon reach such dimensions as to rival, and affect the attendance of, our annual state convention.

The success of the group system causes me to aver the wisdom of county associations. I



J. K. WALLER
Morganfield
President Kentucky Bankers Association

do not advise the parent society to mother such, as she does the group organizations; but I know, from personal experience in my own county, the great good to the individual bank resulting from such an association. It might be well for a committee to be appointed by the incoming president to formulate some plan for the encouragement of each county to form a local association.

The most serious trouble apparent to me, regarding our membership, is the delay exercised by many banks in renewing their membership each year. Our constitution provides that "all dues shall be paid November 1st of each year, and any member failing to pay his dues for three months shall be considered as having withdrawn from the association."

Our treasurer, in obedience to this law, on November 1st of each year makes draft on each member for dues for the ensuing year. If these drafts were promptly paid, our secretary would be relieved of much labor. For instance, on the first day of next month your treasurer will make draft upon each of the

593 banks now constituting our membership. If they are promptly paid, your officers, the ensuing year, will only have the 18 non-members to look after, and, in my judgment, a solid membership would result in less than sixty days. Having just passed through probably the most strenuous campaign for members in the history of the association, I trust you will pardon me for urging you to aid the incoming administration in this matter by paying dues promptly.

Financial Condition

For the past three years the association has been self-sustaining. At that time a deficit of about one thousand dollars stared us in the face. The report of your efficient treasurer will show, for the year now ending, after paying all obligations of every nature, a surplus from the year's work of \$1,400, which, added to the splendid balance as indicated in his last annual report, gives a total surplus of \$3,500, showing earnings, over and above all expenses for the three years, of \$4,500. I have called your attention to this splendid financial showing with some trepidation. I am fearful some may conclude a reduction in dues wise; but am sure none will so think when I tell you this magnificent showing is in no sense due to the membership fees collected, but rather to your indefatigable secretary, who labors both day and night for the welfare of this association. The contracts, made at his instance by your executive committee with the adding machine, time lock, burglary insurance and fidelity bond companies, have resulted, not only in a saving of thousands of dollars to the members of the association, but also have increased the income of the association more than two thousand dollars per annum; clearly showing that a cancellation of these contracts would place us where we were three years ago, causing us to close each year with a deficit. And we cannot tell when cancellations may come.

Your "special committee on the president's address," at our last annual convention, made four recommendations, each of which has been complied with, as will be shown more elaborately in the report of the executive committee. This report provided: First, "That immediately after adjournment of the convention, the executive committee proceed to incorporate the association under the laws of Kentucky." The convention adjourned on October 25th, and on November 1st of the same year the "Kentucky Bankers Association" was incorporated under the laws of Kentucky. Second, "That the incoming president appoint a committee to revise the present constitution and report to the next annual convention." This committee was appointed, and the results of its labors will be submitted at this convention for your consideration and adoption. Third, "That \$1,000 be and it is hereby appropriated for the purpose of establishing a protective bureau or reward fund, and all, or such part of the said fund as the executive committee shall determine, shall be invested in interest bearing security." This has been carefully done.

Fourth, "That the committee heretofore ap-

The Fourth National Bank Of the City of New York

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WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased. Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

pointed to recommend a remedy for the losses attendant upon the handling of collections be discharged, and the executive committee be and it is hereby appointed a special committee to recommend a remedy and report at the next annual convention." I regret to state that the executive committee has been unable to devise a satisfactory means of relief. This is a problem of much importance, and seems to be one too intricate for solution at the hands of this association. It has received the attention, not only of the executive committee, but also of a special committee, with no satisfactory result. I therefore suggest that it be referred to the secretary and general counsel, with instructions that the situation must be relieved.

State Taxes

In spite of my drink at Dante's river, I must chronicle one serious disappointment: our failure to secure justice at the hands of the state board of assessments and valuations. Accompanied by our counsel, together with a special committee, your officials appeared before this board during the month of June, and urged a further reduction of state valuations on banking capital. As you well know, this board had made a tentative assessment, based upon a valuation of eighty cents upon capital, surplus and undivided profits. We asked for a lower valuation, one of sixty cents.

I have no desire to mince words in expressing my condemnation of this board, to each of whom I mailed an invitation to be present on this occasion, in its refusal to seriously consider the unanswerable arguments so logically presented by Messrs. Helm, Ford, Rice and Marshall. I am sure our case was prejudged, and while a most cordial reception and a most patient hearing was given, I am firmly of the opinion that it simply was a courtesy extended and nothing more. A synopsis of the points upon which our demand was made was incorporated in a letter of June 18th by our counsel, a copy of which was mailed to each of you. I trust you have not mislaid this letter, as I now suggest it should be used as a campaign document with your stockholders. Read it to them and talk it to them, and let's show to this board and its successors that more than thirty thousand stockholders feel this unjust discrimination to be an outrage.

Protective Bureau and Reward Fund

This feature was inaugurated by your executive committee in December, 1910, and seems to have resulted in a protection to our banks that is effective. Its wisdom is evidenced by the fact that soon after its introduction, evidently before it became known to that

class of citizens known as professional crooks, an effort was made to defraud one of our members. The offender, through the efforts of this association, now languishes behind prison bars; a warning so vivid and so real to wrongdoers that the present year has passed without a complaint of this character.

Legislation Enacted

During the recent session of the legislature, many bills of interest to this association and prepared by our committee on banking jurisprudence and information, were considered, only one of which became a law. The provisions of the act to establish a "Department of Banking" are so well known to you that comment by me is unnecessary. I will, however, state that this association contended to the last for the bi-partisan feature, and feels regret that it was eliminated. Yet the bill is reasonably satisfactory, and should result in much good. The appointees, although of one political faith, are men of unquestioned character and ability, and the banks of the state should feel safe in their hands.

Legislation Needed

The several bills offered by this association to the recent legislature should be pushed to an enactment. They are of much value to the banking interests of the state, and now, with

the elimination of the bankers bill, our entire strength and influence should be placed behind these bills. My attention has been called to a law in Kansas known as the "Blue Sky Law." It was passed through the influence and at the instance of the bankers of that state, and has resulted in driving out of the state conscienceless agents, selling worthless stocks in wildcat companies. This is a form of scoundrelism, pauperizing our citizens, against which there is no law. The purchase of such stocks not only results in loss to those purchasing, but is a distinct hurt to the banks of the state, in that their deposits are greatly depleted.

In claiming for this administration success, I covet none of the glory for myself; it is largely due to each of you, the individual member, who has responded so promptly and so generously to my every appeal for aid. No more loyal membership can be found in any organization, and it affords me much pleasure to thus publicly acknowledge my debt of gratitude. To me, this has been a year fraught with much genuine pleasure, one never to be forgot; and I have felt, that for me, the time of my presidency was opportune. Had I been surrounded by assistants and advisers with ability no greater than mine, this success could not have been attained. But I found the executive committee composed of men of true worth, saturated with love for this association, and presided over by that prince of gentlemen, Major Jno. H. Leathers, my friend of long standing. He promised, early in the year, that success should perch upon our banner, and has worked assiduously to this end.

The committee on banking jurisprudence and information, with Judge Jno. Stites as chairman, by reason of the recent legislature has had a busy time, as will be shown by its report. Its work has been ably done, and to each member thereof I extend my heartfelt thanks. I found the group offices ably manned, as evidenced by the friendly rivalry existing between the various groups, resulting in six groups reporting a solid membership.

I found in the secretary's office a young man of handsome personal appearance, concerning whom so many complimentary remarks have been deservedly made by my predecessors that naught remains for me to say. His record was before me, and I expected much. He has never disappointed me, and I am now firmly of the opinion that this association might dispense with its president, its executive committee, its treasurer, its attorney, and keep only its secretary, and all would be well. For, to him, above all others, is due the splendid success of this administration.

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This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

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Capital, Surplus and Profits, \$6,000,000
Deposits . . . 42,000,000

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Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

George Woodruff on Farm Financing, Peoria Convention

Agricultural credit in Europe is divided into two general subdivisions; first, mortgage credit, and second, personal credit. The institutions belonging to the first subdivision are of two classes, the first of which is best typified by the Credit Foncier de France and the second by the Landschaften of Germany. The institutions belonging to the second subdivision are of three classes, the first of which is best typified by any of the ordinary credit banks, the second by the Raiffeisen and Schulze-Delitzsch banks, and the third by the Credit Agricole of France.

There are, of course, in Europe, numerous agricultural banks having characteristics somewhat different from those of the above mentioned institutions, but in the main the institutions included in the above outline constitute the real basis of agricultural credit organizations in Europe and all other agricultural banks are very largely patterned after them.

The Credit Foncier de France, in addition to certain activities that are not strictly connected with agriculture, loans money on farms for long periods of time on an amortization basis. The chief advantage to the farmer is in the fact that he is allowed to pay off his loan by making small semi-annual payments, will never have to renew the mortgage which will continue to run until the semi-annual payments have cleared the farm of debt, will never be compelled to pay any renewal commissions, will never have to go to the expense of bringing down his proof of title, or having it examined every few years as under our American system, and in addition will be forever relieved of any anxiety lest he fail to meet the mortgage when due and consequently lose the farm.

The Credit Foncier holds these mortgages as collateral for its debenture bonds which it sells to the public and from the proceeds of which it obtains the funds to advance to the farmers. The Credit Foncier, while under the supervision of the government, is nevertheless a privately owned joint stock company and pays regular dividends on its capital stock.

President of the new farmers bank, at Joliet, tells what he learned on his special investigation trip to Europe. A difficult and intricate subject clearly and effectively stated in a brief but valuable paper

The Landschaft banks of Germany loan money to farmers on much the same basis as that employed by the Credit Foncier of France, except that they do not make a practice of paying a farmer cash for his mortgage. They simply exchange their debenture bonds with the farmer for his mortgage and the farmer then sells the bonds himself. The Landschaften are under the supervision of the government and are strictly co-operative organizations involving in many instances the unlimited liability of the members and not being operated for a profit or paying dividends. These are the salient features of the two types of mortgage banks in operation in Europe.

Let us turn now to the agricultural credit

banks. The ordinary form of credit bank is operated on much the same general plan as the ordinary commercial bank in America. It loans to farmers for fairly short terms on the same general conditions as in our country. These banks are privately owned joint stock institutions and would doubtless be able to finance the farmer for his needs were it not for the fact that the European banking methods have led to the present existence of but a comparatively small number of banks. These banks are usually large institutions extending over a considerable territory and are not small independent community banks as in the United States.

The Raiffeisen and Schulze-Delitzsch banks are small community institutions organized on the co-operative plan and not operated for profits. The Raiffeisen banks operate more particularly in the country and are purely co-operative, while the Schulze-Delitzsch banks operate more particularly in urban communities and are a somewhat modified form of the purely co-operative type. These banks oftentimes have behind them the unlimited liability of all of their members and they accept deposits, allowing interest thereon, and loan the money to their members for fairly short periods of time. Each one of the co-operatively owned local banks usually belongs to a co-operatively owned central association which exercises a control over the entire organization, acting as a sort of clearing house and central bank.

The Credit Agricole of France consists of a large number of co-operatively owned local banks which are affiliated with regional banks to whom the government advances certain sums of money without interest. The regional banks, which are co-operative in character, lend this free money to the local banks at a low rate and they in turn loan to the farmer. These banks are not operated for the purpose of earning dividends; are in many cases safeguarded by the unlimited liability of their members, and furnish the best European illustration of state aided agricultural credit.

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American usage of the various types of European agricultural credit, a mistake has frequently been made by bankers and writers in the United States in their discussions of this subject. This error concerns the rate of interest which is paid by the farmer in Europe and which has led many American farmers to believe that in order to get three per cent money it is only necessary to adopt some European system of land credit. This is a mistaken idea, as the very best rate on agricultural loans that can be hoped for in America for some years to come will range between four and one-half per cent and six per cent, and as a matter of fact such a rate would not be out of line with the customary rates in Europe. This mistaken impression as to European interest rates has been brought about by the publication of three so-called European examples of low rates, the first being the three per cent bonds of the Credit Foncier of France, the second being the three and one-half per cent debentures of the Landschaften of Germany, and the third referring to the three and one-half per cent rate which is charged in some parts of France by the Credit Agricole.

The Credit Foncier three per cent rate is due to the fact that the bonds carry with them a lottery feature by which each bond-holder has a chance to win a prize consisting of a large sum of money, but the cost of these prizes increases the actual cost of the bonds to the Credit Foncier from three per cent up to about four per cent and the money is then loaned to the farmer at four and three-tenths per cent. Therefore, the farmer does not get three per cent money, as is often-times stated.

The Landschaften three and one-half per cent rate costs the farmer considerably more owing to the fact that the Landschaften do not pay the farmer in cash but merely exchange their debentures for his mortgage and he is then compelled to sell the three and one-half per cent debentures below par. The money consequently costs him considerably more than three and one-half per cent.



GEORGE WOODRUFF
Joliet, Illinois

The Credit Agricole really loans money to the farmer at three and one-half per cent, but this is due to a government subsidy and would be looked upon as abnormal from the standpoint of Americans. The government has compelled the Bank of France to furnish it a large sum of money without interest to be used for the advancement of agriculture, and, as outlined in the above brief explanation of the Credit Agricole, the government loans this money to the branches or regional banks free of interest. These regional banks loan to lo-

cal banks at three per cent and in some parts of France the local banks loan to the farmer at three and one-half per cent. This system is deplored by many leading bankers in France as tending to develop a false idea of the value of credit and is liable to discontinuation some time in the future. Furthermore, some of the individual banks of the Credit Agricole system occasionally exhaust all of the money that has been allotted to them by the government and in order to continue the extension of credit they are compelled to re-discount farmers' notes with the Bank of France, and as they are loaning to the farmer at three and one-half per cent and sometimes re-discounting with the Bank of France at a higher rate, it follows that the more business they do under such conditions the larger amount of money they lose and this is an unreasonable and unsatisfactory foundation for any system of banking. However, the system of the Credit Agricole should be discussed in America not so much from the standpoint of its defects in France as from the standpoint of the advisability of the American government furnishing a subsidy to the farmer.

In view of the above facts, it is realized by those who have studied the subject on the ground in Europe that the advantages to be brought to the American farmer will consist of the ability to get plenty of money at all times on terms of the greatest possible convenience and at fair and reasonable, but not abnormally low, rates.

In America some system of mortgage banks is badly needed in order that the present haphazard, unsatisfactory and wasteful methods may be done away with. The establishment of mortgage banks will make it possible for the investor to purchase a much higher grade mortgage security than he at present buys from his local real estate agent, for the security which he will buy in the future will be a bond readily salable at any time, guaranteed by the mortgage company, and based upon a large number of mortgages.

The establishment of mortgage banks will

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February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30
June 14, 1912	28,433,836.35
September 4, 1912	31,041,482.12

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also make it possible for the farmer to know that he always has an institution ready to advance him money without delay on the long time amortization principle and that he will get as good a rate of interest as anybody else, will never be compelled to pay renewal commissions or fees for the bringing down of his abstract or the many legal charges that are now made in connection with frequent renewals.

The advantage of mortgage banks over our present inconvenient, expensive and antiquated system is already recognized in the United States and the question is being asked as to whether we are to adopt the joint stock type of bank illustrated by the Credit Foncier or the co-operative type illustrated by the Land-schaften. This is a question that every banker and every farmer should carefully study during the coming months, but after a thorough understanding of the various advantages and disadvantages of both systems, together with a careful consideration of the habits and characteristics of the American people, it is probable that the Credit Foncier type will eventually prevail.

It will then be necessary to decide as to the manner in which these banks are to operate and this is a subject for the careful consideration of all bankers and financiers.

It may be possible that mortgage banks will spring up at random under such various existing state laws as may make it possible for them to operate. This will, of course, lead to lack of uniformity and a more or less unsatisfactory condition that in the end will give place to consolidations or some more uniform system.

Then it may be possible that a strong mort-

gage bank will be organized in each state where the demand is greatest and that each one of these organizations will extend its influence throughout its own state, and then perhaps later on there will be established a large mortgage bank which will have the powers of a holding company and through these powers obtain a controlling interest in each of the state banks, they becoming subsidiaries of the large parent concern. This large parent concern would then perhaps issue all of the debenture bonds and the state banks would lend the money to the farmers. This plan would give uniformity to the system and would doubtless create a very strong organization.

It might also be possible that the American people would prefer to keep away from a centralized organization and would prefer to follow out the plan of our present national banking law by passing a national mortgage bank act which would allow the establishment of national mortgage banks on very much the same lines as are now laid down for the establishment of our national banks. In this way, there would be created in each community one or more mortgage banks, operating on the lines of the Credit Foncier and under the control and examination of the United States government, to whom local real estate owners could go for loans and local investors could apply for investments.

These suggested plans, together with many others which will doubtless be proposed, should interest the American banker and command his best and most careful thought and study.

In America the need for the establishment of agricultural personal credit banks has been occupying the attention of bankers, farmers,

and public men for the past few months, and here again the members of the Illinois Bankers Association would do well to expend careful thought and study.

We already have an organization of ordinary joint stock credit banks such as has never been seen before in any country in the world. Instead of the comparatively few more or less centralized banking institutions doing business in the various European countries, we have in America some 27,000 independent, locally owned community banks, and the question naturally suggests itself whether this great number of local community banks existing in America do not take the place of the European systems of small community banks co-operatively owned. While in the United States we do not have, generally speaking, the small co-operative community bank as in Germany, nevertheless our laws are so liberal as to allow any company of farmers or agriculturists, who are so inclined and who can put up a moderate amount of capital stock, to organize a bank that will accept deposits and make loans on just as advantageous terms as are made by the co-operative banks of Europe. It may perhaps suggest itself that our American banks, scattered as they are throughout the small agricultural centers of the country, are more in line with American customs, American usages, and American needs than the co-operative banks of Germany with their unlimited liability feature and their dependence for success upon the co-operative spirit of the Germanic nature.

The co-operative banks of Europe enjoy one advantage which is not enjoyed by the American banks. This consists of a central banking
 (Continued on page 11)



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ILLINOIS BANKING NEWS

By C. C. Burford

The 1912 convention of the Illinois Bankers Association, with its 900 delegates and visitors, made a deep impression on all who were fortunate enough to have attended the meeting. While all were not united on the question of bank supervision, yet there was a most thorough uniting of minds on the great questions of soil fertility, crop abundance, good roads, better conditions of rural life and vocational education. Seldom has a state convention enjoyed a better program than was given at Peoria and there was an abundance of points on which to unite outside of the question of bank supervision.

That Illinois bankers under the guidance of President Harris have made a distinct step forward is universally believed by all bankers. It is truly a great work which succeeding President Phillips assumes and the bankers of the state believe that the latter will follow the conservation policies of the former.

Abundance of crops in all parts of the state was conceded by the bankers at Peoria and there was an air of prosperity about the convention which spoke well for the optimistic feeling now obtaining all over the country and which is undismayed by the political affairs of the nation. That the country is in a highly prosperous condition was the universal idea advanced at the convention, and the question now before the bankers of the state is not how to maintain prosperity so much as how to better enjoy life in the smaller cities and towns and in the country. In the solving of the problem of comfort of living the many conservation ideas discussed at the convention will have a large part.

Peoria a Great Convention City

Peoria is rapidly becoming one of the most important convention cities of the Middle West. Between the date of the Illinois bankers' convention and the opening of 1913 there are seventy conventions, large and small, and of all varieties imaginable, to be held in that hustling business city. A large number of conventions for 1913 are already booked and the boosters of Peoria have even slated some for 1914. With an abundance of hotels and cafés and with the best of railroad and inter-urban facilities the city of Peoria can easily become one of the best known convention points in the country.

The National Implement and Vehicle Show, held immediately at the close of the Illinois Bankers Association convention, is an event of nation-wide importance and rivals in many respects a state fair. The amount of money spent in a city like Peoria by convention visitors is no small part of the prosperity of that growing community.

Death of Elgin Banker

D. F. Barclay, president of the First National of Elgin, and prominent in the business life of that city for fifty years, died Tuesday, October 1st. Mr. Barclay came to Elgin as a runaway boy from Scotland and worked at the trade of a tinsmith when he first came to America. Later he became a leader in the manufacture of dairy supplies.

He had served the city of Elgin as a member of the city council, member of the water commission, president of the school board and as mayor. He headed the movement which worked out a system of sewers for the city and was active in planning modern school buildings.

Business Prosperity at Freeport

Banking and commercial conditions in Northern Illinois are reported to be excellent according to advices received from Freeport. The only worry now is that there will not be enough cars to handle the corn crop this fall. Business conditions are summarized there as follows:

"Recent reports from shippers in almost every section of the country give one the idea

that the only famine we will have is one of freight cars rather than of produce. The conditions in the harvest fields of our great grain sections this year have demanded more labor than they could get, and that condition has not existed for several seasons. Wages are at the top notch and there is plenty of work. Factories are working full force and many of them over-time. And the farmer still buys automobiles.

"Among local merchants business has been good this summer and each month has shown an improvement over the corresponding month one year ago. Local merchants are optimistic and the autumn displays in show windows include a great variety of high-class goods which will sell well."

William G. Edens at Peoria

That William G. Edens of the Central Trust of Chicago, and personally known to two-thirds of the bankers of the entire United States, has made a good hit with the people who have known him well for many years is evidenced by the following breezy remarks from the Peoria Star, published while the great Illinois Bankers Association was gathered in convention in that city.

"If there be anybody in this world that possesses the love and affection of this community it is Billie Edens. He has devoted his life to the uplift. First he reformed the post-

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office, then he took up banking, now he is working in the interest of good roads. Whatever Billie undertakes he carries to a successful issue, and we rejoice to see him burgeon and expand and blossom, so that all his measures bear fruit. It is a great thing for a man thus unselfishly to sacrifice himself to the cause, and while keeping his toes turned toward Zion, keeps one hand on the neck of his fellow man, while he applies his toe vigorously to the seat of the pants of the unbelievers."

First of Peoria a Beauty

Scores of visitors at the Illinois bankers' convention made the round of the banks, and they were impressed by the metropolitan atmosphere of the Peoria financial institutions. All of the banks in that city are well appointed and the "hosts" of the convention city were "delighted" to show visiting bankers about.

The First National and the Savings Bank of Peoria, allied institutions, were especially appreciated by the visitors, as these new institutions are now housed in one of the most beautiful and complete banking rooms in the Central West, or in the entire nation for that matter. The appointments of the room for the comfort of officers, employees, customers and visitors and for the security of the books and cash were noted by the convention visitors. Cashier William E. Stone and the other officers of the bank took plenty of time in showing the out-of-town bankers about and manifested genuine pleasure in so doing.

Kansas Brokers at Peoria Convention

J. L. Pettyjohn, head of the brokerage firm of J. L. Pettyjohn and Company of Olathe, Kansas, was an interested visitor at the Peoria convention. Mr. Pettyjohn, accompanied by his son, was the guest of G. F. Carson, his representative in Peoria. During the convention Mr. Pettyjohn entertained twenty bankers who were among his customers and with whom he had had business relations at a luncheon at the Crève Cœur Club. The Kansas broker has been in business in his home city for many years and has built up a large and lucrative business. A large mortgage business is transacted by his firm. He enjoyed the convention very much. Mr. Pettyjohn is active in democratic circles in Kansas, having been for thirty years a member of the democratic central committee.

Illinois Notes

The State National of Bloomington and the

Urbana Banking Company of Urbana have installed electric clocks in front of their banking houses which have chimes indicating the hours, half-hours, quarter hours and three-quarter hours.

Bank burglars made an unsuccessful attempt to blow off the door of the safe in the bank at Hooppole, a small village twenty-eight miles south of Sterling. So much noise was made that the entire village was aroused and the burglars escaped without booty. The front of the bank building was wrecked. Robert R. Ward, vice-president of the Benton State Bank of Benton and a regular attendant at the conventions of the Illinois Bankers Association, visited en route home at the University of Illinois where he was formerly a student and where he was active in athletic matters. Mr. Ward has served the association as vice-president.

Henry H. Harris, president of the First National of Champaign and a former president of the Illinois Bankers Association, was at the Peoria convention and thereby extended his record of attending all of the conventions of the association without missing a gathering. Few bankers in the state are better known or more widely respected than is Mr. Harris.

Bankers interested in the sound doctrine of educating the farm boys and girls for life on the farm will read with pleasure of the series meetings to be held in each of the counties of the nineteenth Illinois congressional district,

having for their object an educational campaign for rural children. The meetings, under the charge of the county superintendents of schools, will be held in Macon, Moultrie, Coles, Douglas, Shelby, Piatt, DeWitt and Champaign counties.

Bankers and business men of Decatur are rejoicing over the new locomotive works which the Wabash railroad will erect in that city at a cost of \$750,000. With this new addition to the Wabash shops in Decatur the road will employ in that city one thousand men.

The three national banks of Henderson county, on the extreme western side of the state, report deposits of \$1,194,188 and the private banks of the county almost as much. As there are no towns of large size in the county the bank showing is very creditable.

L. L. Emmerson, president of the Third National of Mount Vernon, was chosen grand warden of the Illinois Knights Templar at their recent conclave held in Peoria.

GEORGE WOODRUFF ON FARM FINANCING

(Continued from page 9)

organization to which the individual banks can turn in time of need, and the ultimate success of each of the great European co-operative systems has been due to no little extent to the fact that the individual banks were each connected with one of the great co-operative central banks. If in America we can eventually work out a satisfactory form of national reserve organization, the small country bank in the little agricultural community will be able to command for its local agricultural interests, through re-discount with the central reserve associations, equal credit facilities with those of any other industry in any other section of the country, and through the privilege of bank acceptances it would be able to follow the example of the European co-operative banks and would turn the farmers' notes into prime mercantile paper, good in the international discount markets of the world.

The bankers of Illinois, together with the bankers of all other sections of the United States, will do well to study this great question of agricultural credit which concerns so directly the financing of the "back to the soil" movement which in its turn is fundamental and concerns vitally the future prosperity of America.

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The Vanderbilt cup speed events in Milwaukee during the past week have overshadowed everything else of business or social importance and the smell of gasoline and the roaring of open exhausts has crept into the business mechanism of the best regulated banks and offices. Few officers or employees of Milwaukee banks who could secure a half day's escape from duty failed to witness at least one of the events, although the representation of out-of-town bankers was not as large as preliminary reports gave promise. The Milwaukee Bankers Club, through its entertainment committee, headed by President Oliver C. Fuller of the Wisconsin Trust Company, extended all courtesies to the visiting bankers, although no set program of entertainment was followed.

Re-elect Officers

The annual meeting of the Chicago, Milwaukee and St. Paul road in Milwaukee this week resulted in the re-election of all the officers and only one change in the directorship. Samuel McRoberts of New York was chosen to fill the vacancy on the board left by the death last winter of Major F. S. Bond who served the company as a director for more than a quarter of a century. All the directors were present with the exception of Donald Geddes and John A. Stewart of New York. Those who attended were Roswell Miller, William Rockefeller, P. A. Rockefeller, Walter P. Bliss, Charles W. Harkness, and John D. Ryan, New York; J. Ogden Armour, Stanley Field, and A. J. Earling, Chicago, and L. J. Petit, Mil-

waukee. A total of 1,785,000 shares of stock were represented out of the entire outstanding 2,326,000, the largest amount ever voted at a meeting of the road. Following the meeting L. J. Petit, president of the Wisconsin National Bank, and also a director of the road, entertained several of the officials at a luncheon at the Gargoyle. The guests included President A. J. Earling, William Rockefeller, George R. Peck, W. H. Dodsworth and David Green.

Bankers Attend Dodge County Fair

The traveling contingent of the Milwaukee Bankers Club was called on again this week to shake the dust of Milwaukee from their feet for the brief interval of a day, visiting the Dodge county fair at Beaver Dam with 100 other members of the Merchants and Manufacturers Association in a special train over the Milwaukee road. The banks were represented as follows: W. L. Cheney, Second Ward Savings; William M. Post, National Exchange; E. H. Williams, Marine National; E. A. Reddeman, Germania National; Walter Kasten, Wisconsin National, and E. J. Hughes, First National. Secretary George D. Bartlett of the W. B. A. chaperoned the party. The special left Milwaukee at 7:30 Wednesday morning, returning at 10 o'clock the same night. Stops were made at Hartford and Mayville.

Milwaukee Notes

The county treasurer has advertised for sealed bids on 220 Milwaukee County Home

for Dependent Children bonds, bearing 4½ per cent interest. Bids will be received to October 8, 1912.

Frederick Layton, financier and pioneer Milwaukee business man, was elected first vice-president of the Milwaukee County Pioneers Association at the annual meeting this week. Mr. Layton relinquished the last of his active business interests last year when he resigned from the directorship of the Chicago, Milwaukee, and St. Paul road.

Mortimer I. Stevens, editor and publisher of the Wisconsin Banker, and expert advertising authority, is making a collection of advertising literature issued by leading banks of the United States, covering their various departments, to assist him in the preparation of articles on bank publicity.

WASHINGTON BANKERS INTERESTED IN AGRICULTURE AND GOOD ROADS

W. L. Clark, auditor of the Spokane and Eastern Trust Company, formerly connected with the old Commercial National of Chicago, writes to say that the interest of Washington bankers in agricultural development and education, and the subject of good roads, is very lively and such as likely is to bring good returns to the state.

John A. McElroy has retired from membership in the firm of Farson, Son & Co., New York and Chicago.



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



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Resumé of Private Banking Situation in Illinois

Springfield, Ill., October 5th.—At the very hour Asher Cox was organizing his three hundred bankers at Peoria, last week, into the Country Private Bankers Association of Illinois, the village of Blue Mound was in the throes of a financial catastrophe. The Bank of Blue Mound had closed its doors in the face of depositors holding claims of \$190,000. J. A. Brown, one of the proprietors, was reputed to be a "borrower" of \$110,000, and Charles F. Crow, the other partner, had "gone West for his health."

The J. W. Brown & Co. bank was a private concern and was owned and managed by J. W. Brown and Chas. F. Crow, the latter having been connected with the bank about four years. Members of the firm will turn over all the real estate and personal property to the creditors of the bank.

The assets of J. W. Brown are as follows: 600 acres of land in Christian county valued at \$80,000, mortgaged for \$30,000; 680 acres of land in Stoddard county, Mo., valued at \$15,000, unincumbered; equity in tract of land in Texas valued at \$8,500; 320 acres in Minnesota valued at \$10,000, mortgaged for \$3,500; residence in Blue Mound, \$5,000; vacant lots in Blue Mound, \$1,500; bank building, \$4,000; personal property in Christian county, \$5,000.

Mr. Brown's total assets are estimated at \$103,000, a conservative estimate. C. F. Crow's assets are placed at \$25,000. In addition to the above schedule, J. A. Brown has put his home in at \$5,000.

The failure of this bank is a hard blow to private bank advocates and to Blue Mound and vicinity and affects the business interest more or less of everyone in the community. The most sensible view of the matter is for creditors to await with patience for an agreement which, it is claimed, will make them financially

whole again. The "run" lasted a few days only, or, until the cash ran out.

J. A. McClure, who was cashier of the failed Bank of Blue Mound, is trying to organize a \$50,000 state bank and has had much success. He says, "The days of the private bank are over in Blue Mound."

George W. Glos, cashier of the Elgin City Banking Company, who returned this morning from the annual convention of the Illinois Bankers Association which is being held at Peoria, was disappointed, according to the Elgin Courier, over the defeat of the movement for state inspection of private banks. He was accompanied home by Ben Getzelman, cashier of the Bank of Algonquin.

"It is impossible to have too many safeguards around a bank, be it national, state or private institution," asserted Bosworth of the First National Bank, to the same paper. "Patrons of both the state and national banks are properly protected by federal and state supervision. It is almost impossible for them to fail under present conditions, and it is seldom that one hears of bank failures nowadays."

The Springfield Journal says of the negative supervision vote at Peoria that: "Besides, the rapidity with which private banks are coming in voluntarily under the law would seem to indicate that very shortly legislation of the kind sought will not be needed. In other words, that the problem will work itself out on the lines which the people desire. At least the bankers have stood off and let it alone. Nevertheless, if the legislature is impressed with the need for such legislation, doubtless it will be had at the next regular session."

On the same subject the Decatur Review said: "There is now a cheering prospect that depositors in the Brown bank will fare pretty well in the end; it may be that the worst that

will happen to them is to be put to inconvenience and delay. Nevertheless, the story points to the need of a statute that will provide independent inspection for all banks. It is not recalled that any good reason has been advanced why we should not have this."

The Herald of the same city said: "Arguments against such supervision seldom have much weight. There are private bankers who are the souls of integrity, who, if misfortune comes, are relieved of the slightest suspicion of wrong-doing, as is the Blue Mound firm. There are others unfortunately of a different stamp whose 'blue sky' and 'wildcat' methods have been made familiar to the public. A check on these financiers should be an aid to the honest banker. The business of both should be supervised."

Down at Galesburg the Mail said: "Now that the Illinois bankers themselves have defeated the proposal to ask the state legislature to enact laws looking to the supervision of private banks, it remains for the state legislature to take the initiative if such supervision is to be enacted in a law. The state of Kansas now has supervision of private banks which it is said even the private bankers themselves would not now dispense with. The law there has worked well in driving the bogus bankers and the swindlers out of that state. Such a law in this state would tend to protect an innocent lot of investors in Fulton county recently swindled by the Boy Banker Butler of Chicago."

MECHANICS-AMERICAN OFFICERS ON VACATIONS

Frank O. Hicks and G. M. Trumbo, vice-president and assistant cashier respectively of the Mechanics-American National of St. Louis, are sojourning at French Lick Springs.



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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Oct. 3d.—An excellent demand for credits, from both city and country, is reported by local bankers. September proved the most satisfactory month in years, viewed from the point of profits and loss. Banks were able to use every cent of their available funds, and rates were satisfactory for all classes of loans. The volume of borrowers permitted of selection, making business safe as well as profitable. Offerings of commercial paper have been liberal, with the East figuring heavily in the offering. St. Louis firms, regular customers, have been taken good care of, and in all cases given preference, with a slight shading toward the minor end of the interest range. The South has been a heavy borrower, especially Texas, and the past week has developed a marked awakening in Arkansas. While the cotton crop in the latter state was somewhat late, the movement this year is unusually early. Advices from Arkansas are to the effect that the cotton there will be moved and marketed this year sooner than the average, owing to the position of planters, facilities for financing, and the prevailing prices both in this country and Europe. Currency shipments have been in heavy volume, and are near the meridian of the movement at this time. Several of the larger banks, making a specialty of crop financing, state that their shipments this season will well surpass those of a year ago. The general crop situation in the Southwest continues most hopeful. Prospects for corn are magnificent in Texas, Arkansas and Oklahoma. Even in the districts affected by the spring floods, corn is doing splendidly, and the output will far exceed expectations. These prospects are stimulating country merchants into greater activity than has been noted in a decade. This is shown by sales to date with leading wholesale and jobbing concerns in the Washington Avenue district. Since the middle of August the city has been thronged with buyers from the territory tributary to St. Louis, and their bills have indicated a disposition to accumulation, the hand to mouth policy of the past four years having been completely discarded. Clearings are holding up in excellent shape, though the total for September fell about \$1,000,000 under the same month in 1911. Discount rates are firm in the range between 5½ and 6 per cent.

Huttig on Banking Reforms

Charles H. Huttig, president of the Third National and of the American Bankers Association, announces that the association is planning to urge upon congress the necessity of legislation in the form of amendments to the federal banking laws. These changes, he says,

are needed at once and can be made independently of the general currency reform plan, as recommended by the National Monetary Commission. "For instance," said Mr. Huttig, "there is no good reason why nationals should not make loans on real estate, especially if such loans are limited to a reasonable portion of the bank's capital and surplus. Framers of the original law doubtless believed real estate loans would not liquidate themselves as readily as loans on consumable wealth. Experience of bankers in periods of stringent money indicates that good first mortgages on real estate are negotiable and salable to investors at such times and have the element of convertibility so much desired. Land is the basis of all wealth. Another provision of the commissioner's plan which could be acted upon independently is that which provides for the decrease in the amount of cash reserves on the time deposits that have long maturing dates. Carrying of large reserves against deposits of this class is a useless storage of cash in banks' vaults.

Need to Stir Representatives

Representatives in congress must be impressed with the actual demand and need for this legislation. The policy of the American Bankers Association for the next year will be to take up actively the work of currency reform and keep at it until the desired laws are enacted. Needless to say, the most important thing is to secure more elasticity and flexibility in the volume of our money and credits. This matter has long been agitated but no congressional results have thus far been obtained. The average citizen does not appreciate that our present monetary system is one of the greatest causes of trouble in times of greatest prosperity. In times of great commercial activity and high prices, credits, represented by bank deposits and loans, and which rest on the volume of money in the country for their support, become too much expanded

in their relation to their foundation-money. The conservative banker limits his courage in loaning of bank funds, and this very conservatism in times of credit expansion may act as one of the principal factors in bringing about trouble. If we had a good monetary system that would enable solvent banks to at all times convert their assets into cash or available credits, you would not have money panics. Any good system will, of course, provide for automatic contraction as well as expansion of bank credits. Laws that will put the banker in a position to meet the commercial and crop movement demands of the country will be one that will benefit every man, woman and child directly or indirectly and will not necessarily increase the profits of the banker, but will put him in a position to at all times serve his customers and community to the extent that prudent banking will permit."

Enormous Texas Production

Colonel W. W. Dexter of Houston, Texas, editor of the Texas Bankers Journal, who was in St. Louis this week, estimates that Texas this year will have products worth \$900,000,000, exclusive of railroad earnings. He says that the corn yield will be 200,000,000 bushels, and the value of all agricultural products will approximate \$600,000,000. The value of the oil, lumber, coal and iron production in 1912 will be \$300,000,000. According to Colonel Dexter the Lone Star state is facing one of the most prosperous seasons in its history. Farmers, he says, have money, which they are spending, and will spend, both for commodities and in improvement and betterment of their farms. Practically all crops of the state have been successful, and while cotton is still to be heard from finally, there is little doubt that the yield of that staple will be well up to recent estimates.

Plan to Encourage Saving

B. W. Moser of the St. Louis Union Trust Company, who is president of the American Institute of Banking, says that the institute is about to enter upon a campaign to encourage the "saving habit" among wage earners and employees of small salaries throughout the United States. Mr. Moser has been in correspondence with other officers of the organization on the proposed plan. "In almost every country the native inhabitants have what may be called a national saving habit," said Mr. Moser. "In the United States, however, we are lacking in this particular. Americans have been reared in a country of plenty, and hence the necessity of economy and saving is not impressed as is the case of less favored countries abroad. We are producing wealth so fast in

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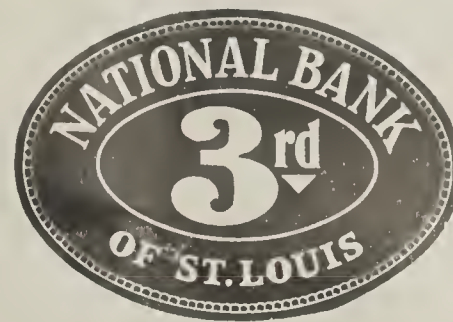
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\$2,000,000

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Bank Stocks Strong

Shares in St. Louis banks and trust companies during the past month or six weeks have developed marked strength under an excellent investment inquiry. With the exception of National Bank of Commerce, the entire list shows firmness, and in numerous instances, fair gains have been made. Among the strong stocks are Lafayette Bank, Third National, Mechanics-American National, St. Louis Union Trust, Bankers Trust and Title Guaranty Trust.

Missouri-Lincoln Reorganization

Entirely disregarding the suit filed in the circuit court to have a receiver appointed for the Missouri-Lincoln Trust Company and its assets liquidated, the stockholders of that institution are going ahead with the reorganization plans. At the recent meeting the stockholders, by a vote of 3,105 to 201, decided to increase the capital stock from \$500,000 to \$1,000,000. The additional \$500,000 will be offered to the present stockholders at par. It is not likely that any change in the present directory will be made before the annual meeting in January. The suit for a receivership was filed by two stockholders owning 250 shares of stock.

New Trust Company Project

W. E. Howett, president of the Howett Manufacturing Company, announces that preliminary plans have been completed for a new

trust company, to be located somewhere in the real estate zone, and which will cater especially to the real estate fraternity. Mr. Howett does not disclose particulars, however, and says he is not ready to tell what the capital will be nor the names of the organizers or prospective officers.

Mercantile in Land Deal

The Mercantile Trust Company is just completing purchases of land for the right of way for the transmission line of the Mississippi River Power Company in St. Louis county. Some weeks ago the company announced that the purchase had been made for the right of way from the Missouri river through Florissant to the St. Charles Rock Road. Since that time considerably more of the necessary property has been acquired.

American Credit Indemnity

A special meeting of the directory of the American Credit Indemnity Company was held this week to consider an offer of \$200 per share for the capital stock by a New York indemnity concern. No definite action was taken, but a committee was appointed to further negotiate with the New York concern. Officers of the American Credit say its affairs are in excellent shape, and acceptance of the eastern offer is by no means certain.

American National Bank
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CO-OPERATIVE FARM CREDIT DANGERS

Washington, October 2d, 1912.—A warning to the American people that the great benefits of co-operative credit may be turned into a national calamity if speculation is not guarded against by wisely considered legislation and strict government supervision has been sent by Ambassador Myron T. Herrick to the state department, in connection with the report which he is making as a basis for President Taft's effort to establish co-operative credit in the United States for the benefit of the American farmer.

"I realize," writes Ambassador Herrick, "that the study which we have made of the co-operative and mortgage systems of Europe has demonstrated beyond question that these organizations, with or without state aid, but all inspected and carefully guarded by the state, have resulted in financing, in the most satisfactory way, the agricultural interests of all Europe. It has demonstrated as well that these systems may be adopted in the United States and that we may even, with the experiments of Europe to guide us, vastly improve upon the European systems and do for the American farmer what has been done for the European farmer—create a ready market for agricultural securities at low rates of interest and with unburdensome amortization and thus afford a natural increase and, in some cases, double the production of his soil."

Business men of Idaho are starting plans for financing a north and south railroad. Former Governor Frank R. Gooding of Idaho is active in the move, and it is expected southern Idaho people will be called upon to purchase \$250,000 in bonds to assist in the work.

Editorial Comment

CHICAGO'S PRIVATE BANKERS FAVOR SUPERVISION

The action of Chicago's private bankers in announcing their intention to support the movement for state supervision and inspection of private banks reflects great credit upon them. In a statement which has been issued and signed by the officials of the Chicago-Illinois Private Bankers Association, as well as other prominent Chicagoans engaged in this branch of the profession, attention is called to the fact that most of the agitation against private banks has been aimed at Chicago institutions, and the desire expressed to go on record as favoring the move for supervision and inspection.

There is not one single, valid reason for opposing such a measure. Any banker who honestly conducts his business has absolutely nothing to fear. On the other hand, the unscrupulous individual who robs the ignorant classes of their hard-earned savings, hiding behind the illusory word "bank," painted in conspicuous letters on his doors and windows, is the one who fights such legislations most assiduously. He realizes that if his business is under the inspection of the state he will be obliged to discontinue some of his practices which are not able to stand the light of investigation.

In view of the fact that the Abbott resolution did not propose or mention the way in which supervision should be exercised, but simply recommended that the association endorse and lend its aid to legislation putting all forms of banking in the state (except national) under state supervision and inspection, the outcome of the vote at Peoria is most surprising. Our courts repeatedly have held that a banker is engaged in a public calling,—the interests of the public are affected by all of his acts. All of the incorporated banks are subject either to state or national supervision. These banks are backed up by men of financial prominence and integrity, and have vast resources upon which to rely. On the other hand, many private bankers have little or no financial standing. There are no stockholders upon whom to impose liability in case of failure. When insolvency does occur a long line of poorly clad, ignorant persons is waiting outside of the "bank," hoping against hope that they will be able to recover at least a portion of practically all they had in the world, while the "banker" probably is in some distant city, having gone there through a "lapse of memory." This pitiful condition recurs quite frequently, and the great state of Illinois, by refusing to put on its statute books laws which will restrict the use of the word "bank," and compel everyone engaged in the business of banking to come under the inspection and control of the state, makes such possible. If incorporated banks are subject to

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

supervision, it is difficult to see why individuals engaged in the same business should not be, also. There is no doubt in the world that the state has the power; the only thing that remains is for it to exercise it.

The Chicago private bankers are to be commended for their stand in the matter, and it greatly is to be hoped that other private bankers will join in and that their efforts will result in passage by the legislature of an adequate law, and remove from Illinois the stigma of being one of the four lonely states in the Union where unsupervised banking is permitted to exist. It is high time that Illinois did something to justify her reputation of being one of the progressive, up-to-date states.

It is not contended by anyone that there are not honest and reputable private bankers. Many of them are the most respected and honored citizens of their respective communities, to whom people go for advice and assistance. The proposed legislation is not aimed at them, but at those adventurers who hold themselves out as a bank, and under the guise of legitimacy deliberately rob the people of their money. The former class has nothing to fear as a result of supervision—the latter everything. All good bankers ought to be interested and lend their co-operation toward ridding the profession of that class of irresponsible people whose acts have a tendency to bring the business of banking into disrepute.

Agencies outside of banking are at work and say that if it appears too difficult to amend the banking act by the referendum route it will be attempted by way of the criminal statutes, making unsupervised banking a misdemeanor with heavy penalties attached. Hope was held out by leading private bankers at the Peoria convention that, among themselves, they will originate a movement which will be satisfactory to all.

ILLINOIS BANKERS GO ON RECORD (From Chicago Daily News.)

Illinois bankers made an unpleasant spectacle of their state organization when, in their convention at Peoria, by a vote of 224 to 125, they went on record as opposed to legislation bringing private banks under public supervision and control. It was especially shameful that representatives of many of the great

Chicago banking institutions, themselves under public supervision and fully cognizant of its value to all concerned, refrained from voting for the policy of state regulation. Presumably they did this out of fear of giving offense to the private bankers with whom they have business dealings.

The attitude of the Illinois Bankers Association of course cannot serve to prevent proper action by the state legislature. Its only effect is to put the bankers before the public in an unfavorable light. By calling attention to the subject, and by indicating that the movement for proper supervision must receive its principal support outside of the banking fraternity, the proceedings at Peoria doubtless have done much to compel the general assembly at its next session to establish state supervision for private banks.

Individual bankers who have stood courageously and intelligently for proper legislation of this sort, like B. F. Harris of Champaign, president of the Illinois Bankers Association, and Charles G. Dawes of Chicago, are entitled to a great deal of credit for their enlightened efforts on behalf of the public and of sound daylight banking.

Nearly every American state has provided by law that no one shall engage in the banking business without supervision being exercised over his operations by the public authorities. Illinois is disgraced by its failure to take action to enforce public supervision of all banks. The next legislature must be required to deal with the subject effectively.

SUPERVISION INEVITABLE (Peoria Herald-Transcript)

The refusal of the private bankers in the state association to endorse the Dawes resolution favoring state supervision of private banks will not particularly hurt the cause of revised banking laws, but it may react somewhat on the bankers themselves. To demand that the state have supervision over private banks is not to imply that all private bankers are unreliable; there are undoubtedly scores of private banks in Illinois which are as sound as any state or national bank, and there is no assumption that their proprietors are inferior in morality or capacity to their fellows of the state and national banks.

But supervision is not aimed at the sound bank and the reliable banker; it is aimed to forestall the unsound bank and the unreliable banker.

Meat inspection was not brought about on the assumption that all packers were dishonest and that all meat was bad; it was aimed to protect the honest packer and good meat. The pure food laws were enacted with the same idea in mind, and there is hardly a banker in the country who will question the beneficence of either of these measures.

Regardless of the opposition of the private



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☞ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☞ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

bankers, however, supervision of all banks is bound to come in the very near future. And the good private bank will reap the biggest share of benefit from such a law.

WISE PRIVATE BANKERS

(From Chicago Daily Tribune.)

The Chicago private bankers who followed up the refusal of the Illinois Bankers Association to indorse the policy of state inspection by issuing a statement declaring themselves in favor of regulation showed wisdom. They know that the continued challenging of the private bank's right to exist will end in driving the bank under control or out of business—one or the other.

Every time a rascally institution closes its doors in the faces of its depositors the honest private banks are hurt. They cannot insist upon the maintenance of conditions which make swindling and robbery possible and then continue to use public confidence as an asset. The confidence will be withdrawn and the asset lost.

The Chicago private bankers who announced their willingness to lend a hand toward bringing all banks under inspection were wise.

REVIVING INTEREST IN THE FOWLER BANKING BILL

The Hon. Charles N. Fowler of Elizabeth, N. J., a long time member of congress and for several years chairman of the banking and currency committee of the house, has been spending a week or more in Chicago. On Tuesday he was tendered an informal luncheon by President James B. Forgan of the First National, at which were present George M. Reynolds of the Continental and Commercial, Sol. Wexler of the Whitney Central National of New Orleans and a number of other prominent bankers. The purpose of the discussion was to reconsider in a way the possibilities of reviving the Fowler national banking act, which in reality is an extension and application of the present clearing house system of bank inspection and government. The bill is pretty well known to those who have studied the matter, and Mr. Fowler fortifies it with a little printed digest touching upon the principal points. He has interviewed all of the officers of the National Citizens League to see whether or not the league is committed to the so-called Aldrich measure or whether it will advocate such a measure as would give relief and meet with the approval of congress. It is

his intention to devote considerable time during the next two years to a public discussion of the matter. This he is willing to do as an individual or as a representative of the League, if the way is open for that connection. Bankers generally are agreed that Mr. Fowler probably is the best posted man on banking and currency topics in the country to-day, in connection with which he is a platform orator of great ability. Above all things he desires criticism of his plan, and will be exceedingly pleased if bankers to whose attention it may come will correspond with him at his home address, Elizabeth, N. J.

Kentucky Convention

Kentucky bankers held a large and enthusiastic convention this week in the city of Louisville on Wednesday and Thursday. The program was replete with interesting features, both social and intellectual. Headquarters were at the Henry Watterson Hotel on Walnut Street near Fourth. The business sessions were held in the convention hall on the tenth floor, and the registration room was located close by. Headquarters were open at seven o'clock on Tuesday and delegates received badges and credentials immediately upon registering. The first day's session was called to order promptly at 10:30 by President J. K. Waller of Morganfield. After invocation by the Rev. David C. Wright, R. Thurston Ballard, vice-president of the Louisville National Banking Company, made the address of welcome, which was responded to by the Hon. B. M. Arnett, cashier of the Farmers Exchange Bank, Nicholasville. After the

annual address of the president, reports were heard from the secretary, treasurer, chairman of the executive council and chairman of the committee on banking jurisprudence and information. The Hon. P. B. Miller, director and attorney, Bank of Union County, Morganfield, told of the relation of the banker to money, morals and happiness. At noon members and guests were entertained by the members of the Louisville Clearing House Association at a luncheon served in the main dining-room of the Henry Watterson Hotel.

In the afternoon C. R. McKay, manager of the transit department of the First National of Chicago, made an address, the subject of which was "Items in Transit," and R. N. Cook, cashier of the Farmers Bank and Trust Company, Bardstown, told of the law of good neighborship among the bankers and the people. At 3:45, the steamer "Columbia," which had been chartered by the Louisville bankers, left the dock at First and Water streets. Gregg's Imperial Band was engaged for the occasion and there was music, dancing and singing. A fish supper was served on the boat. The return was made at 7:30, after which the delegates and visitors were further entertained at a theatre party.

Thursday there were addresses by the Hon. E. S. Clark, president Citizens Bank, Falmouth, whose subject was "Are Savings Departments Profitable to Interior Banks?" and J. E. Buckingham, cashier of the Paintsville National Bank, who told of the trials of the interior. Following these talks there were reports from the resolutions, auditing, nominating and other committees, after which the convention adjourned.

Secretary Arch B. Davis is to be congratulated on the splendid program provided for the occasion, and on the efficient way in which everything was carried out. The local bankers cannot be given too much praise for the fine program of entertainment which they provided for their guests.

NOVEL IDEA IN BANK ADVERTISING

Russell Sign System, Bowling Green, Ky., has a novel and effective means of bringing publicity to a bank. The system consists of a series of sixty attractive window cards, each bearing a brief but forceful message about the bank. These cards are printed in two colors on the best quality bristol board, and are held in place and displayed by a patented all-steel lithograph holder. These "Window Talks" will work for the bank every day for a year for \$10. By this method a large number of people can be reached each day and banks are enabled to point out to the public the many merits of their respective institutions and thereby to induce the opening of an account.



CAPITAL
\$2,000,000.00

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\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ☞ Your account carried on the books of a solid, conservative bank adds prestige to your name. ☞ Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

"The Water Level Route"

It is a luxury to travel between Chicago and New York, Boston, and the East over the "Water-Level Route."

On its limited trains a compartment, complete and comfortable, provides electric fan, reading lights, electric call bell, hot and cold water, maid, valet, and stenographer.

Perfect privacy if you desire to be alone with your work or your book — just like your den at home.

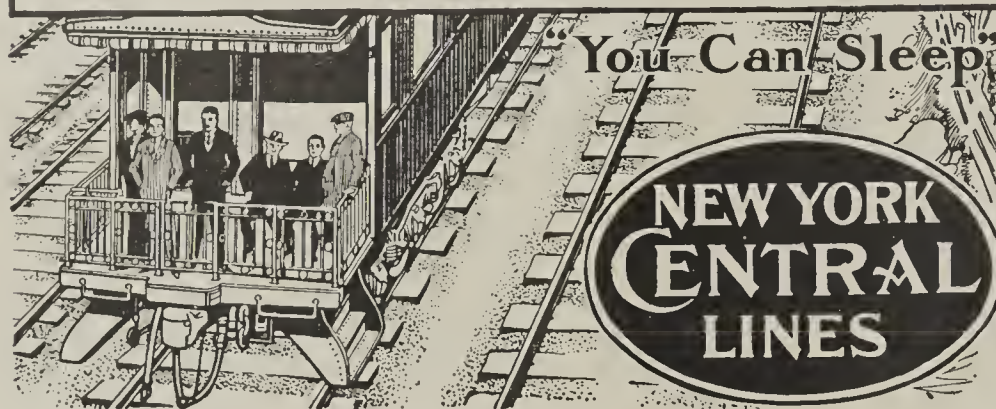
The journey will be restful — you can sleep!

Tickets, sleeping car accommodations and all information at

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100 Clark, Corner Monroe
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Hundreds of People Pass Your Bank

Every day who do their business with "the other bank" or else have no bank account at all. Wouldn't you like to have them for your own customers? You can win their business by using our "Window Talks"—the newest, most attractive idea in financial publicity. Service costs \$10 a year. Sold to ONE bank in each town. We want you to see this service, and if you'll write us the outfit will be sent you by prepaid express on approval. Use it ten days, if you think it a good investment send us the ten dollars, if not, simply return the outfit at our expense and there will be no questions asked. That's fair—let us hear from you.

Russell Sign System
Box No. 247 BOWLING GREEN, KY.

The Hon. P. B. Miller at Kentucky Convention

Mr. Miller prefaced his remarks by telling of the condition of affairs which formerly existed in his state whereby private banks were enabled to operate without being subject to any kind of supervision or inspection, a state of affairs which proved so unsatisfactory to the people that remedial legislation subsequently was passed. The speaker also told of the Kansas "Blue Sky" law and pointed out the necessity for such legislation. He said that statistics show that losses through bank failures are a trifle when compared with the money which is lost through investment in worthless stocks and bonds. Mr. Miller also said:

"However much we may differ in our pursuits in life, in politics, religion or other public or private questions, we are agreed upon one point, that each is in pursuit of happiness. The instinct for happiness is as deeply embedded in man's nature as the instinct of life itself. The pursuit of money, with happiness as the goal, is altogether too prevalent and the most delusive. It is not my purpose to inveigh against the possession of money as a means to an end and what I shall say against it shall be directed against its gain at the expense of manhood, which results always in the greatest unhappiness. In an ideal republic happiness involves not only freedom and intelligence but abundance also. Strictly speaking, money is neither good nor evil. It is a force like electricity or wind or water, made good or evil by its use, and in itself without moral quality. It is as foolish to inveigh against fire because it burns careless people, or against steam because it scalds ignorant people, as to inveigh against money because it is misused by bad, sordid men. As with the same tongue one may praise God or curse man, so gold may bless mankind and the pos-

Director and attorney, Bank of Union County, Morganfield, Ky., delivers an interesting address on the relation of the banker to money, morals and happiness

essor, or he may be its slave, its caretaker, its serf. With money we may build a highway of happiness for society which may lead the footsteps of all into intelligence and integrity and to peace and happiness.

"In the distribution of talents the poet has been given the genius to inspire the people; the scholar wisdom to inform the people; the patriot courage to emancipate the people, while to others the talent of money making has been given. Unfortunately the hearts of many men who have amassed money have taken much of the hardness and brittleness of the metal of which it is composed and they blight the poor and the weak. They learn to love money for its own sake and are as cold and calculating as the spider with hungry eyes and manifold webs running out for trapping the unwary. The strange thing about money is that most men affect to hold it lightly, but we know they secretly want to possess it. It is the universal weakness. You have seen bright, intellectual men coin every thought into gain and turn every friendship into poverty. The science of medicine has discovered a preventive or cure for every form of fever except the fever of gold, which once fully developed no man can cure.

"It cannot be successfully denied that it hardens and corrupts many times where it softens the heart or elevates the morals once,

and that it has brought much wretchedness and unhappiness into the world and will do so as long as the world lasts.

"The idea I would convey is found in the recent story of the death of sixty fishermen, natives of a New England coast village, and who sailed to New Foundland and were there lost with their meager fortunes. Hearing the news, a very wealthy banker, who fifty years before was a boy in that fishing village, decided to take a subscription paper around to friends of his childhood who had become rich men, to secure relief for the families. He called upon one who after his death was found to be a multi-millionaire, a man known for his parsimony. Together the banker and merchant went over the names of the fishermen whom they had known in boyhood; who were lost in the great storm; whose families were in need. Touched by the sacred memories of the past, the merchant at first said he would give a thousand dollars. The mail next morning brought a letter saying he would have to reduce it five hundred dollars and would enclose a check in a day or two. Later he wrote that he had met several losses and would have to cut it to two hundred and fifty dollars. A week later the check had not come and the old banker called upon his friend, who after toiling over his check book half an hour, turned in his chair to the banker and said, 'I cannot do it. I cannot do it. It hurts me to give.' Finally he pulled out his purse and gave the banker two dollars. The banker went away pitying the millionaire, impotent to rule his money, far more than he pitied the fishermen's cottages on the coast of Maine.

"Neither Caesar nor Napoleon in their wildest dreams ever conceived a country so vast and magnificent as ours. Our wealth ought to inspire our hearts and elevate our morals. We

are too ready to forgive the sins of the rich and to forget how they got it. Too few men in our great cities give any heed to primitive morality, with its fine distinctions of right and wrong, and thus follows the failure of our municipal methods and processes to give efficient and good government to our great cities.

"All of us are familiar with the crime, shame and scandal of New York, Chicago and San Francisco. There is no need to repeat the current history to such an assemblage as this. What is the trouble? Has the money devil got us and gone? Some one truly has said, 'Tell us the nation's sin and we will show you the nation's danger.'

"The tariff question, the race question, the question of the conservation of our coal, our iron and our forests are great questions before us, but the paramount question is the true ideal and character of the American people. 'Put money into thy purse,' seems to have become a national motto. The genius of the country is more attracted to money getting than to civic righteousness or honest patriotism. We have too many talented men whose ambition is to make a fortune and buy a seat in the state legislature, or congress, or the senate, and we sit supinely by and permit it.

"With our money standards so high and our moral standards so low, it takes more than two years and more than \$200,000 to turn one out. It is even charged that in the election of the chief executive of the United States that money has played and will continue to play this shameless part, and here we have the saddest spectacle in American history and must listen to the cry of 'stop thief.'

"Many of the great fortunes are due to special privileges given by city council, or state legislature or national congress to men composing a corporation. The millionaire not only owns his private railway or steamships, or coal or iron fields, but seeks to own, and I fear does partially own, his private city council and legislature, and his private judge and governor. The speaker of the house in one of our states once said, 'If the president of the ——— Railway has no more laws to pass, the legislature will stand adjourned.'

"What a condition in a democracy like ours, with its historic memories of deeds of valor and civic and religious liberties; in a democracy that has trained the people to believe in equal rights to all and exclusive privileges to none and that every citizen has equal rights before the laws! Under such conditions what opportunity has the youth with ambition, health and ability against the baron or the magnate with his control of land, coal, oil and iron, and with his pull and influence? But let us hope that these conditions are temporary; that wise legislation, increased intelligence, and a sense of service and responsibility on the part of the rich, coupled with a sane and intelligent demand on the part of the people, will correct some of these evils and cause a return of equality of rights and privileges, and then will come a return of happiness to our people.

"The voice of the people,—the plain people upon the farms, in the mines and shops, the toilers who take nature's wealth from her forests and her fields, from her rocks and her rivers, and have wrought and brought the wonders of mankind,—this voice sooner or later will be heard. We cannot afford to oppress them or to destroy their comforts and their hopes.

"If our banks and other temples of commerce of our cities be destroyed, it is they who will build them greater and grander than they were and support them thereafter. If you and others dealing in or controlling the money desire to save your credit in the opinion of the people, you must look to their in-

\$1,000,000

AVERY COMPANY

OF PEORIA, ILLINOIS

7% CUMULATIVE PREFERRED STOCK

TAX FREE IN ILLINOIS

Preferred as to Dividends, and, in the event of dissolution, as to assets, over the Common Stock. Par value of shares \$100 each. Dividends payable quarterly. Annual sinking fund of 2% for purchase of stock, up to \$115 per share. Redeemable at 115.

Continental and Commercial Trust & Savings Bank, Chicago, Registrar
Fort Dearborn Trust and Savings Bank, Chicago, Transfer Agent

The Avery Company is one of the oldest, most successful and largest manufacturers in the world of agricultural implements, gas and oil farm tractors, self-lift engine gang plows, gasoline farm and city motor trucks, threshing machines, steam shovels, cranes and steam traction engines.

CAPITALIZATION

Preferred Stock (this issue)	-	-	-	\$1,000,000
Common Stock	-	-	-	2,245,000

FINANCIAL SUMMARY

(After giving effect to new capital)

Total Net Assets, above all debts	-	-	-	\$3,420,269.49
Equal to approximately 3½ times total Preferred Stock issue				
Liquid Net Assets, above all debts	-	-	-	1,816,956.31
Equal to 1.8 times total Preferred Stock issue				
Average Annual Net Earnings (4 years)	-	-	-	171,820.27
Equal to approximately 2½ times Preferred Stock dividend requirements				
Net Earnings, January 1, 1912, to June 10, 1912	-	-	-	256,860.47
Equal to approximately 7 times Preferred Stock dividend requirements				

SAFEGUARDS AND RESTRICTIONS

Summarized from a letter of J. B. Bartholomew, President of the Avery Company, addressed to C. F. Childs and Company.

- 1. NO PRIOR LIENS**—No mortgage exists upon the company's manufacturing property and none can be created without the consent of three-fourths of the Preferred Stock.
- 2. NO FLOATING DEBT**—The proceeds of this issue will retire the Company's Bills Payable.
- 3. TOTAL NET ASSETS** are at the rate of \$342 for each \$100 share of Preferred Stock.
- 4. LIQUID NET ASSETS** are at the rate of \$180 for each \$100 share of Preferred Stock.
- 5. EARNINGS** for the first six months of the current year have been at the rate of approximately 7 times Preferred Stock dividend requirements.
- 6. DIVIDENDS** cannot be paid upon the Common Stock until all dividends on the Preferred have been paid and unless Net Liquid Assets exceed the par value of all outstanding Preferred Stock.
- 7. ADDITIONAL PREFERRED STOCK** cannot be issued unless Net Earnings for the preceding 12 months have been equal to at least twice the dividend requirements of the Preferred outstanding and proposed to be issued and unless the Net Liquid Assets of the Company are at least equal in amount to the total par value of the Preferred Stock outstanding and proposed to be issued.
- 8. SINKING FUND**—An amount equal to 2% of the outstanding Preferred Stock will each year be set aside from earnings and applied to the purchase of stock at not to exceed 115.
- 8. MANAGEMENT**—Will be continued by the present Executive Officers, who have been connected with the Company for many years.

Books and accounts audited by Price, Waterhouse & Co., New York and Chicago. Properties appraised by Coats & Burchard, Chicago. Legality of issue passed upon by Pam & Hurd, and Ingram, Hollen & Massen, Chicago.

APPLICATION WILL BE MADE TO LIST THE STOCK ON THE CHICAGO STOCK EXCHANGE

A circular fully describing this issue will be sent upon application.

Price, \$100 per share and accrued dividend, subject to advance in price without notice.

C. F. CHILDS AND COMPANY

29 SOUTH LA SALLE STREET
CHICAGO

Subscriptions will be received by

Continental and Commercial Trust & Savings Bank CHICAGO	Fort Dearborn Trust & Savings Bank CHICAGO
--	---

terests. The time is approaching when Mohammed will go to the mountain and not the mountain to Mohammed.

"Every banker is and of a right ought to be a leader and a man of the highest influence in his community. Often the less fortunate and less prominent select him as an ideal. You have problems outside of the counter more important to solve than those within. The function of banking, instead of being a selfish agency for discounting the hard-earned fruits of industry, should endeavor to co-operate with the farmer, the manufacturer, the artisan, the mechanic and the laborer. You should get in closer connection with the general body of the people and put your resources at the disposal of every plain man to the fullest extent his credit is good, and without demanding

handsome securities, and thus you will gain their confidence and dissipate their prejudices and build up your communities. Among these plain people who live close to the soil and lead sane, normal lives, ever will be found the greatest degree of public virtue, honor and morals. The moral hazard is better here than elsewhere.

"During the money panic of 1907 the news came from the office of J. Pierpont Morgan that \$25,000,000 cash immediately would be placed in the money market, and the press proclaimed that Mr. Morgan had saved the country. The American people, including the bankers outside of the inner circle in New York, believed this until it recently appeared from the testimony given at the hearing on
(Continued on page 29)

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

JOHN M. MOORE, Vice-President
W. L. BUECHLE, Vice-President
E. W. ZEA, Vice-President

F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier

J. W. PERRY, President

CHAS. M. VINING, Assistant Cashier
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UNEXCELLED FACILITIES WITH THE MOST MODERN EQUIPMENT ASSURES ACCURATE AND SATISFACTORY SERVICE
A LARGE CAPITAL AND SURPLUS WITH A STRONG ORGANIZATION ASSURES SAFETY

Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Kansas City bankers are making arrangements for the next conference of the agricultural committee from the banking associations of thirty states, combining with one from the American Bankers Association, which will be held in Kansas City at an early date. The meeting will bring together representative financiers from the western states. Edwin Chamberlain, vice-president of the San Antonio Loan and Trust Company, who has just finished an exhaustive investigation of agricultural conditions in Europe, will attend. Another important visitor will be Joseph Chapman of Minneapolis, chairman of the committee on agricultural development and vocational training of the American Bankers Association.

Bankers Club Holds Meeting

The first fall meeting of the Kansas City Bankers Club was held at the Hotel Baltimore in that city October 3d. A committee appointed by P. W. Goebel, president of the Kansas City Clearing House Association, made the arrangements and the meeting departed somewhat from the regular order. The Kansas City chapter of the American Institute of Banking was invited in a body and responded enthusiastically. The dinner began at 7 p. m., and following this came reports from the delegates who attended the convention of the American Institute of Banking at Salt Lake City, August 22-24, and those who attended the American Bankers Association convention in Detroit. About two hundred bankers and bank employees attended the dinner and heard the reports. The Kansas City Bankers Club has planned a busy winter season.

Kansas City Developing Northward

That portion of Kansas City which lies north of the Missouri river is now enjoying unusual activity owing to the opening of an interurban system which will connect that district with the main city and with various other cities of north Missouri, including St. Joseph and Excelsior Springs. Numerous business blocks are being erected and several factories started. To accommodate the growing business of that section a new bank has been organized there to be known as the National Bank of North Kansas City, and it will start with a capital of \$25,000. The bank is being financed by the Armour-Swift-Burlington interests, which are developing the district.

New York Bankers Entertained at St. Joseph

Seward Prosser, president of the Liberty National of New York and representative of the Morgan interests, and A. R. Jones of the bonding department of the Guaranty Trust Company of New York, made a tour of inspection of several cities in the Central West recently. The financiers traveled in a private car and stopped at St. Joseph, Mo., before going to Kansas City. At St. Joseph they were entertained by the local bankers, including J. G. Schneider of the German-American National; I. A. Vant and Floyd Hovey of the Stockyards National, and R. T. Forbes, president of the First National. With the exception of Mr. Hovey, the St. Joseph bankers accompanied the easterners to Kansas City. In the party also were C. S. Glead, chairman of the board of directors of the Missouri and Kansas Telephone Company, and H. M. Sloan, of Chicago, assistant to President Mudge of the Rock Island. Mr. Prosser and Mr. Jones visited practically all of the Rock Island territory in the West.

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Pittsburgh Bankers in Kansas City

One hundred business and professional men of Pittsburgh, Pa., made a trip through the Central West last week stopping at the principal cities and getting acquainted with local conditions. In Kansas City the party was entertained by the Commercial Club with a drive over the boulevard system and a dinner at which two hundred men were seated. Pittsburghers have always been rather jealous of Kansas City in the matter of bank clearings on account of the western city's persistency in taking sixth place ahead of Pittsburgh. Speaking of this condition, Robert C. Coard, of the Mellon National of Pittsburgh, said: "We have always thought of Kansas City as a sort of jumping-off place, and we couldn't see what license you had to beat us in bank clearings. Now that we have come and seen your city, alive with business and filled with properous looking homes, we can see that Kansas City is really some city."

Increase in Clearings

During the month of September the business handled by the Kansas City Clearing House Association showed a big increase over the corresponding month a year ago. The business of last month amounted to \$221,160,062 as compared with \$211,910,316 for the same period of 1911, showing an increase of more than \$9,000,000 for the month. The total business of the clearing house for twelve months ending September 30, was \$2,630,703,922. During the twelve months ending September 30, 1911, the business totaled \$2,591,011,655, which shows an increase during the last twelve months of \$39,692,267. The large increase of September, 1912, over the corresponding month a year ago is due to handling the big crops of the present season.

Group 4 at Kansas City

The first of the Missouri bankers' group

meetings to be held this fall will be convened in Kansas City October 15th. P. W. Goebel, president of the Kansas City Clearing House Association, has named the following committee to make arrangements for the entertainment of the visiting bankers: J. R. Dominick, president of the Traders National; W. L. Buechle, vice-president of the Southwest National Bank of Commerce; J. L. Johnston, cashier of the National Reserve Bank; Geo. P. Reichel, assistant cashier of the First National; Virgil K. Tuggle, assistant cashier of the New England National, and Jerome Thralls, manager of the Kansas City Clearing House. A dinner will be one of the chief features of the entertainment.

Report on Oklahoma State Banking Board

After a year of hard work the examination of the books and accounts of the Oklahoma state banking board has been finished and a copy has been given to Governor Cruce. The report covers the operations of the board from the time of its inception to September 30, 1911. It will be remembered that this examination was vigorously opposed and it was ordered only after the late state inspector, Charles A. Taylor, brought mandamus proceedings in order to be allowed to inspect the books and accounts. In a general way the report is without severe criticism of the board except that fault is found with the careless manner in which the work of the board was done. The accounts are incomplete and some of the important books of the failed banks are missing. There is no itemized account of the manner in which assets of failed banks were realized upon. There were fourteen failed banks and there was paid out of the state guarantee fund, including what the fund earned, a total of \$2,772,068 in cash. Up to September 30th, the state banks of Oklahoma paid into the fund a total of \$1,279,393. For the period covered the net loss to the guarantee fund after all settlements had been paid was \$88,102.

Oklahoma Holds Record

Those who are unacquainted with the new state of Oklahoma will be bewildered at the financial situation in that commonwealth as shown by recent statistics compiled in Oklahoma City. Oklahoma, with a population of 1,756,200, averaged during 1911 an aggregate of bank deposits amounting to \$92,224,499. This makes a per capita deposit of \$58 to every man, woman and child in the state and with something left over. In her per capita deposits Oklahoma is now seventh in the union and greater than that of any of the southern states. In piling up bank deposits Oklahoma has made greater progress within the past ten years than any other state has

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made in the past 25 years. In 1900 Oklahoma's were not quite \$8,000,000 and in 1910 they had grown to more than \$92,224,000, an increase of over 900 per cent. That is a record that makes the Oklahoma banker proud, for it has not been approached so far as known in the history of American state building.

Dallas Chapter Has New Home

Doubtless one of the most flourishing chapters of the American Institute of Banking is that at Dallas, Tex. When the season closed last spring a committee on permanent quarters was appointed and this committee spent the summer to such good purpose that now the Dallas chapter has a beautiful home occupying the entire third floor of the Murphy & Bolanz Building on Commerce Street. There is a reading room, a game room, a billiard room, a reception hall, an assembly and lecture room and a serving room for lunches and entertainments. There is also a shower bath and other up-to-date club features. Since last winter twenty members have been added, making the entire membership 110. At a recent open meeting most of the bank presidents of Dallas were guests of the chapter and they all expressed themselves as delighted at the progress that has been made by the chapter, and all the banks of the city promised support and encouragement. A lecture course on banking topics has been arranged for the coming winter and the chapter also expects to enjoy a number of social entertainments. M. Boyd Keith, of the Commonwealth National, is chairman of the programme committee. Officers of the chapter are: Stewart D. Beckley, president; O. B. Kendricks, vice-president; C. T. Dean, secretary, and Robert Williams, treasurer.

AFTER NEW SIX-CYLINDER

President Arthur Reynolds of the Des Moines National was in Chicago on Tuesday, placing an order for a new six-cylinder car. He has been traveling over the state of Iowa of late and believes that the entire state is experiencing a prosperity boom such as has not been equaled in years. He noticed that the farmers all are feeling fine over the large crop and good prices and that business generally is expanding normally in keeping with conditions. There is an actual demand for money in Iowa at the present time at good rates, which is making bankers feel comfortable.

A BOUQUET FOR B. F. HARRIS

Just as the Peoria convention of the Illinois Bankers Association was drawing to a close a committee composed of Williamson, Trayler and other well-known bankers handed in a complimentary resolution recognizing the great services of the retiring president, B. F. Harris of Champaign. It was passed amid vociferous applause and reads:

"Resolved, that while we recall and esteem the excellent work done for this association by those officers who have guided its destinies in former years, we especially congratulate the closing administration upon accomplishments which have challenged the attention and won the applause of the entire citizenship of our country. The courage, zeal, and ability displayed by President B. F. Harris marks him as a man peculiarly fitted for leadership in this day of progressive thought and national ten-

dency. The state and nation have need for the talent and services of men of his character and convictions and their participation in the public activities of our country will hasten the solution of many of the perplexing problems of the hour."

CHILDS & CO. INVESTMENT OFFERING

C. F. Childs & Co., 29 South La Salle Street, Chicago, has issued a very attractive circular describing the new one-million dollar issue of the Avery Company of Peoria, Ill. Most of the bankers who attended the recent state convention held in that city were guests of the Avery Company on a visit to its splendid plant. The array of buildings was as fine as can be found in any manufacturing district, and the organization appeared to be of a strictly modern type. Many inquiries were made by bankers as to when the new stock would be on the market. These shares will be tax-free in Illinois, and are in the shape of 7 per cent cumulative preferred stock. The preference is as to dividends, and in the event of dissolution, as to assets over the common stock. The par value of the shares is \$100, dividends payable quarterly. There is to be an annual sinking fund of 2 per cent for the purchase of stock up to 115 a share, the shares being redeemable at this figure. The Continental and Commercial Trust and Savings of Chicago is registrar and the Fort Dearborn Trust and Savings of this city is transfer agent. The Avery Company is one of the oldest and most successful, as well as the largest manufacturers in the whole world of agricultural implements. The output consists of gas and oil farm tractors, self-lift engine gang plows, gasoline farm and city motor trucks, threshing machines, steam shovels, cranes and steam traction engines. The capitalization includes one million preferred and two and a quarter millions common. The total net assets above all debts are around three and one-half millions. The liquid net assets above all debts are more than a million and a half. Over a period of four years the average net earnings

have been \$171,800. After January 1, 1912, up until the time of the last statement the earnings have been \$256,800, or approximately seven times the preferred stock dividend requirements. Childs & Co. issue a circular giving full details of the safeguards and restrictions thrown around these shares, and assure us that application will be made to list the stock on the Chicago exchange, where they anticipate an active market. The shares are offered to the public at par and interest, and subscriptions will be received either by the Continental and Commercial Trust and Savings, the Fort Dearborn Trust and Savings or direct through C. F. Childs & Co.

COUNTRY BANKS BUYING COMMERCIAL PAPER

Prominent Chicago bankers say that country banks are buying a fair amount of commercial paper, which would indicate a prosperous and comfortable condition. They say that the monetary situation is very encouraging, and that they do not anticipate any stringency.

D. R. FORGAN ON MONEY OUTLOOK

President D. R. Forgan of the National City Bank of Chicago, in speaking of October conditions, says:

"Within the last fortnight there has been a sustained rise in money rates and the business interests of the whole country are fast adjusting themselves to the change. The advance has not been unexpected, for with the record movement of grain from the primary markets and the very pronounced business revival, a much broader inquiry for accommodation with higher interest rates could not well be avoided. Mercantile borrowers are pretty generally paying 6 per cent for what money they need as against an average rate of about 4½ per cent at this time one year ago, when business men had little occasion to borrow money, owing to the stagnation in general trade. The higher rates which now prevail simply reflect the increased industrial activity.

PEOPLES TRUST TO HAVE NEW QUARTERS

Plans now are being formulated whereby the Peoples Trust and Savings Bank of Chicago will have enlarged quarters. This action has been rendered necessary owing to the rapid growth of the bank.

FRANCIS J. KILKENNY ON IRELAND'S PROSPERITY

Francis J. Kilkenny, confidential secretary to L. O. Murray, comptroller of the currency, recently has written an article on how prosperity is coming to Ireland, which appeared in the Chicago Record-Herald of September 22d. Mr. Kilkenny is president of the Irish Home Going Association. The article deals with the improved and prosperous conditions which now are prevailing in Erin. The banks, of which there are nine, with 695 branches, are in a prosperous condition. The Bank of Ireland has a capital of \$13,500,000, and the joint stock banks a combined capital of over \$22,000,000. The resources of these banks amount to \$425,000,000, which is equal to the banking resources of the state of Indiana. In 1911 the deposits in the joint stock banks amounted to \$327,090,000, an increase of \$14,965,000. The article is ably and interestingly written.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The state bank department will ask the Minnesota legislature next winter to establish a department of credit to safeguard depositors. The plan of Superintendent Kelsey S. Chase is to open a card system report on securities from all state banks. Every borrower will be indexed with his known assets and liabilities and if his borrowings become heavy, banks will get a tip to restrict his credit. Under the present law a man entitled to \$5,000 credit will borrow that amount from half a dozen banks and start something in the dangerous condition line. An assistant will be asked for each of the twenty bank examiners. The assistant can do the routine work while the examiner snoops the securities. Greater restraint on overdrafts will be asked.

"With present equipment it is impossible," said Mr. Chase, "to make an investigation that will assure depositors the banks are in good condition. I am against the policy of bank insurance. I believe absolute protection can be given the depositors, however, should the department be given an adequate force thoroughly to inspect them and a system of state credit be established so a man's borrowing could be kept to that which he is capable of meeting."

"Such a system of credits would also be a safeguard against 'kiting' of checks and other practices which jeopardize the foundation of a bank. This department could be created with a reasonable appropriation if the additional necessary help is given for inspection."

Addressed Minneapolis Chapter

President G. E. Vincent of the University of Minnesota, and W. F. McLane, cashier of the Hennepin County Savings Bank, were speakers at the first fall meeting of the Minneapolis Chapter. In part Dr. Vincent said: "The banking business, conducted as it now is, on a scientific basis, is a study of life and is no different than the investigations of the university. We are all trying to interpret life intelligently."

"These are the days of efficiency. Most of the resources of the country have been taken up by corporations, by individuals, or by the government. The times have been changed in a lifetime. These are the days of narrow margins and scientific business. These are fine days to live in."

"Efficiency is solving problems. It is to bring one's resources to bear upon unexpected emergencies. Many of us are automatic. Good breeding is automatism. But some persons are too automatic."

"The day of opportunity in America has not gone. We are facing days that are going to test our ability. The students in college are at this disadvantage. They are dealing too much with the theories of life and not with the concrete things. But this we will change in time. The practical men are sometimes prone to pay too little attention to theories."

State Money Called In

State money has been called in with October 24th as the limit. This money is held in state banks. The idea of calling in the funds is to meet the October school apportionment, when there is to be distributed nearly \$1,400,000, or the largest amount ever to date. The state has a lot of money scattered in the rural institution strong boxes and elsewhere in Minnesota; altogether \$1,332,000. Heavy shortage in the revenue fund has caused an early call-in, but the state treasurer, Walter Smith, says the banks won't be crippled.

Growth of Banking in Minnesota

Charts showing progress of the banking business in the state have been prepared by Kelsey S. Chase, state superintendent, covering from 1878 to 1912. One shows the high water mark for loans and discounts is \$112,000,000 in 1912. In 1911 they were \$103,000,000. State bank deposits in 1878, when the department was authorized, were \$2,000,000, and in 1912, \$124,000,000. Capital in 1878 was \$1,000,000 and surplus \$40,000. Now the capi-

tal is \$16,000,000 for the state banks, and surplus \$4,000,000. Banking house fixture value has increased from \$50,000 to \$4,300,000.

Louis W. Hill Elected to Northwestern National Directorate

Louis W. Hill has been elected director in the Northwestern National to succeed the late M. B. Koon. This is the first instance of a St. Paul man serving on the directorate of a Minneapolis bank in recent years. James J. Hill, father of Mr. Hill, is active in the Minneapolis Trust Company. Mr. Hill has been in the directorate of the St. Paul First and Merchants Nationals and the Duluth First National. Mr. Hill is chairman of the Great Northern road, and W. H. Dunwoody, president of the Northwestern National, is director in the road.

Northwest Banking Notes

Profits of the September state fair have enabled the board to take up the indebtedness with twin city banks of \$50,000. The loans were to cover losses from bad weather in 1911. Warrants for \$27,000 remaining may be taken up from the same fund.

E. H. Rollins & Sons, Chicago, will take the St. Paul public library \$50,000 bonds. Opinion from the corporation attorney has shown the bond men that the state legislature was not limited in its special session to issues named in the call and could authorize the bond issue in question. A confirmatory ordinance has been asked from the city council.

The First National of Mankato, Minn., has had plans made of a proposed office and bank building at the offices of Ellerbe & Round, St. Paul architects.

In the October number of "Thrift," the State Institution for Savings announces that it is now the fourth largest exclusive savings bank in Minnesota with assets of more than \$1,000,000.

Guy C. Landis, cashier of the new Commercial National, Minneapolis, was found dead last

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week in his home. He had had heart trouble. Mr. Landis years ago was cashier of the Flour City National, and went over to the Security Bank of Minnesota in the absorption as assistant cashier. Of late he has been vice-president of the Barthe-Martin Company, Duluth, wholesale groceries, and secretary-treasurer of the new Federal Securities Company.

The Farmers National, Hutchinson, Minn., has plans for a bank building, 22 by 75 feet, one-story, at the office of Kirby T. Snyder, architect, Minneapolis. Bids close October 8th. The building will be Bedford stone, brick facing.

The Equitable Life Insurance Company has selected the Minnesota Loan and Trust Company, Northwestern National Bank affiliation, to represent it in placing Northwestern mortgage in Minnesota and the Dakotas.

Incorporators of the Caledonia State, Minn., capital \$25,000, are: J. H. Dorival, E. C. Hellickson, John Bouquet, P. B. Qualy, O. E. Burtness, F. A. Duxbury, Joseph Vossen, C. A. Dorival, J. A. Roerkohl, T. J. Roerkohl, O. N. O. Hefte, C. J. Wheaton, John McNelly, J. A. Heymann, John P. Schummers, Clem Hundt, D. C. Rhines, N. C. Koel, M. J. Schech, Adolph Eiken, W. W. Belden, Julia Gensmer, E. K. Roverud, P. V. Ryan, Gust Meilrodt, all of Caledonia.

John De Laittre, president of the Farmers and Mechanics Savings Bank for years, president of the Bovey-De Laittre Lumber Company, in 1884 president of the Nicolet National, is dead. A. H. Ingersoll, officer of the Citizens National, Sisseton, S. D., is dead. He was an 1881 pioneer.

EXAMINATIONS TO BE MADE MORE EFFECTIVE

A move has been set on foot by Comptroller of the Currency L. O. Murray in an effort to make bank examinations as effective as they can be made under the present law. In all examinations made on and after October 1st, examiners are required to convene the boards of directors in country banks and to make an examination of the assets in their presence and with their help and co-operation. One of the great difficulties to be encountered in this connection is the fact that in many instances bank directors are not local men, which renders it difficult to get them together, especially on short notice. The comptroller has asked his examiners to see that at least a majority of the board is present whenever requested, and that if the board be so constituted as not to permit this, that it be reorganized so as to make a majority of the directors readily available. Another point to which the examiners will be asked to pay especial attention is the unreasonable concentration of bank funds in private enterprises in which the officers or directors of the bank are interested. The comptroller will insist that the books of these concerns be open to the examiners so that he may be enabled to determine whether or not the loans are properly secured.

ADVOCATES OF GOOD ROADS ADOPT PLATFORM

At the convention of good roads enthusiasts, held under the auspices of the Illinois Highway Improvement Association in Peoria on Friday of last week, the report of the committee on policy outlining a platform to be followed in securing better roads for the state, unanimously was adopted. Among the things recommended are state and county co-operation; a non-political state highway commission; effective means for maintenance of the roads after construction; use of the state automobile tax as a partial aid in financing the project; employment of convicts under the honor system; payment of road taxes in cash; compulsory dragging of all dirt roads and provisions for the safety of road users. Improvement was advocated for main roads in such counties as may elect to come under the proposed law, principally at the expense of the state and the county, such roads to be improved subject to the approval of the state highway commission and thereafter to be turned over to the state for perpetual care and maintenance; also for the supervision, maintenance and control of the remaining roads under the supervision and control of county and township authorities.

The report of the committee resulted in much favorable discussion and comment at the hands of representatives of the many organizations throughout the state which are interested in this matter. The consensus of opinion seemed to be that the time for argument is passed—it is conceded by everyone that good roads greatly increase the prosperity and general welfare of any state or community. The thing to do now is to do something towards obtaining them, and not argue as to the benefits to be derived therefrom. There is no doubt but what our present road laws are grossly inadequate and antiquated.—laws which were adopted forty years ago to protect Indian trails and section lines. Mrs. H. M. Dunlap of Savoy expressed it as her opinion that if the United States can spend a huge sum of money to dig a ditch in a foreign country, it can afford to spend something for better roads, which will benefit the people at home more directly.

J. D. Phillips, president of the Illinois Bankers Association, told of the efforts of the bankers in this direction, and of the splendid and effective work which has been accomplished by S. E. Bradt of De Kalb as chairman of the association's committee on good roads, and as a result of this, his decision to reappoint him to that position.

William G. Edens of Chicago, president of the Illinois Highway Improvement Association, presided over the sessions in an able and dignified manner. Mr. Edens is a zealous and active worker on behalf of this movement, and has done much to create public sentiment and to arouse enthusiasm in regard to "Pulling Illinois out of the mud." It is believed that the movement has been given quite an impetus as a result of the convention at Peoria.

Illinois, while one of the leading agricultural

states of this country, probably has the worst highways of any state in the Union. It is high time that some organized effort be made to remedy this deplorable situation and thus to promote the industrial, social and economic welfare of its citizens. It is believed that the work of this association and of other organizations interested in the matter will play a prominent part in the accomplishment of this much desired reform.

CHICAGO CHAPTER, A. I. B.

The chapter's fellowship meeting held at Assembly Hall, Northwestern University building, Lake and Dearborn streets, last Tuesday evening, September 24th, was a success in every way. The boys were all very enthusiastic over the prospects for the coming year, which promises to be the most successful in the history of the chapter.

Malcolm McDowell, assistant secretary of the Central Trust Company of Illinois, Chicago, also a member of the executive committee of the Chicago Association of Commerce, was the speaker of the evening. His talk was very interesting and instructive, and he pointed out to the clerks the many opportunities and advantages of the opportunities so close at hand, impressing upon them that the young men of to-day are more fortunate than their antecedents, inasmuch as they have so many advantages at hand which their parents did not have. Mr. McDowell particularly called their attention to the exceptionally good courses which the chapter has to offer this year and pointed out to them wherein they would be benefited if they would only take advantage of them.

The entertainment provided for the evening, which consisted of a few vaudeville sketches and music, was very entertaining and carried out in a very satisfactory and pleasing manner. Cigars and a buffet luncheon was served during the evening.

The class in rhetoric and composition will hold its first meeting Friday evening, October 4th, and the commercial and banking law class on Tuesday evening, October 8th. Both classes already promise to be very well attended, especially the class in rhetoric and composition, as many of the older clerks express their intention of taking up this course, which is very practical and beneficial to all those who will only apply themselves.

The executive committee, Chicago Chapter, has recommended John W. Rubecamp, president of Chicago Chapter, and Harry S. Smale, president of the chapter last year, to the executive council for election to the fellowship class.

Charles W. Bartlett, who has resigned as state bank examiner for the Kansas City district in Missouri, has gone on an extended visit to the Pacific coast. R. W. Hawkins, formerly assistant cashier of the Central National of St. Louis, has been appointed Mr. Bartlett's successor.

A new state bank has been established at Talmage, Neb., with a cash capital of \$20,000.

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Agriculture and the Problems of American Rural Life

PART II

The fundamental question of the size of the harvest—the yield per acre—lies at the foundation of our national prosperity. We have been living in a somewhat reckless way. The Country Life Commission gave expression in a public way to what every agricultural college in the country has been preaching for years, namely, that the preservation of our soil fertility and the development of the annual yield, are important factors in a prosperous agriculture and staple condition of the country. The note of alarm has been sounded repeatedly; nevertheless, I call attention to the fact again that the farming community is not yet thoroughly aroused on these questions. In many portions of the country improved agriculture has borne its fruit and there are to-day thousands of prosperous farms and happy farmers. There are large areas of which this is not true. A recent study of conditions in Ohio, where I happen to live, shows that since 1867, for forty years, thirty-four counties show a decline in the annual yield of the staple crops. The decrease in corn varied from three-tenths of a bushel to seven and eight-tenths bushels, per acre. The other fifty-four counties show an increase varying from one-tenth of a bushel to ten bushels per acre. Meantime during these forty years the population of the state has far outrun the farming conditions. In the same general way I made a study of the exporting of wheat during the same period for the entire country and notwithstanding the development of new wheat fields, the percentage of the crops exported reached its lowest point in 1905, namely, a little less than eight per cent.

In 1907 it had risen to nearly twenty per cent. The highest point, however, was reached in 1894, when it was forty-one per cent, or a little more. The federal government reports from 1867 to 1907 show an average export of 26 68-100 per cent of the wheat crop. For the last decade in this period the average was 27 18-100 per cent, and for the decade preceding, 31 44-100 per cent. When we take into consideration that the new wheat land will not be developed except at the cost of the other crops, it is manifest, not only that the percentage of the wheat crop being exported has steadily declined for a generation, but that within a very short period we shall be consuming our entire crop and a little later importing bread stuffs.

When that time arrives prices must advance beyond their present scale and the only relief possible is to increase the output from year to year. What is true of the wheat crop is substantially true of the corn crop. In the great corn belt we find the basis of our feed for meat producing animals as well as for dairy products. The range of prices, therefore, for beef, pork, and dairy products will bear a definite ratio to the productiveness of our soil. At present we are exporting meat products but the indications are clear that this must decline. It is entirely evident that the exports must pay for the imports. The more one considers this phase of the produc-

President W. O. Thompson, of the Ohio University, at the Peoria convention read a paper of such great value that it will be printed in full in the Chicago Banker, but owing to space restrictions will be divided into three parts. Following is part one

tiveness of our soil as related to an increased demand for these food products the more certain it is that the range of prices cannot be lowered except the increase of population be limited or the food supply greatly increased. The objection that is sometimes urged by farmers against an increase of crops because prices might be lowered is soon disposed of when we recognize the increased demand from year to year for these products. Moreover, the prevalent desire for official governmental inspection of meats, dairy products and the processes of producing these products, has made the investment greater and, therefore, increased the cost of production. This inspection is a public necessity for a variety of reasons that I need not discuss in this paper, but it is a factor entering into the cost of production so seriously that many farmers are disposed to abandon their small dairy business just as many of them have abandoned the old family orchard. It now looks as if the apples of the future will be produced almost exclusively in commercial orchards and that the dairy products of the future will be produced almost exclusively by the commercial dairies. These questions or production go to the root of the matter and must be brought home to the consciousness of every farmer in the land. The Ohio Experiment Station has announced that if the farmers of

Ohio will follow the directions based upon the experiments at the station, the yield of Ohio farms could be doubled within five years. There is not the slightest prospect that the farmers as a whole will react to this suggestion of the experiment station. Wallace's Farmer has recently stated that the production of the fields of the West could be increased fifty per cent in five years if the farmers could secure the proper help in the field and in the home. In other words, this problem of increased crop production is not so simple as it may appear on the few selected farms, with enterprising men, who may be utilizing all the available help both in labor and intelligence. Their crops might be greatly increased but this would cover so small a percentage of the entire area of productive land as to make a very small change in the present conditions, however important that change might be. Reports show that the land in the European countries is much more productive than in earlier years and much more productive than land of the same natural fertility in the United States. The labor problem there is somewhat different, although land values in the corn belt of Hungary are perhaps fifty per cent higher than in the United States, ranging from two hundred dollars to three hundred dollars per acre and even higher. The same general principle holds good for other staple crops such as wheat, oats, rye, potatoes and the forage crops.

Recently commercial organizations have interested themselves in enterprises and projects having in view an increased yield and the arousing of an interest on the part of the growing boys in agricultural productions. Nothing but praise can be offered for such enterprises, but the important issue now is to secure a reaction on these impoverished farms in this country by the every day farmer who is naturally conservative and slow to change his methods. The ordinary farmer is about the last man to hear the call in the interest of increased crops. We are accustomed to hearing so much about bumper crops that we have been deceived as to their real significance. We need a bumper crop every year in the interest of the public welfare. This is not only an agricultural, but a patriotic, problem as well.

Good Roads

I mention, though somewhat briefly, another factor entering into the improvement both of agriculture and of rural life, namely, the problem of good roads. As far back as the days of the Roman Empire, when all roads led to Rome, the importance of good roads was understood. They constituted a means of communication, transportation, and commerce. In these modern days practically every form of transportation has been improved more rapidly and to a greater extent, than the most primitive one of the public roadways. Here again, the every-day farmer is rather slow to believe in the economic value of first class roads in the rural communities. The question of rural progress is not at all

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bound up in the production of crops. The marketing of these crops, the sale of the products, and the transportation of these products, are all factors entering into the efficiency of living. This is not, as ordinarily conceived, purely a local problem. The farmer is apt to view it from that point of view. As a matter of fact good roads have to do with the public welfare and the local farm is only one of the factors in the situation. Good roads therefore mean state supervision and state construction. They mean that all people in the commonwealth are interested in all the people and that good roads make a contribution not to the welfare of any one class but to the welfare of all classes by furnishing easy, safe, and economic transportation. They mean more efficient schools, more efficient churches, more wholesome social life, increased value in the land itself and a more economic transportation. Public sentiment has not yet reached a state of assurance on these problems. Too many people view the good roads question simply as a means of spending money or of marketing the crops. Recently in Ohio a constitutional convention proposed an amendment permitting the issuing of bonds to the amount of fifty thousand dollars for the development of highways. That amendment was defeated. The vote is instructive. It shows that where good roads prevail a majority of people were in favor of their extension. In communities where good roads were almost entirely unknown that section was against it. The fact remains that the portions of the country having improved roads show the best rural conditions, the best land values, the most progressive farming and altogether the most prosperous people. In the face of these facts the rural population was able to defeat the proposal which would have brought from the city dweller a large contribution to supplement the rural community in improving its highways. No doubt a little controversy between the automobile owners and the owners of farm wagons as to the kind of road that would be needed and the fear that a more expensive road than would be really needed should be constructed, contributed to the defeat. However, these conditions prevail through the Central West. Until some agreement can be reached we shall continue to neglect this important factor in the improvement of both agricultural and rural life. Public sentiment must be crystalized. A large amount of education of public sentiment will be necessary for these progressive measures.

Farm Measures

I mention another factor which I have been proclaiming for more than twenty years, namely, the importance of developing a system of credit for farm lands. The modern banking system seems to be built upon the necessity of quick assets, of convertible assets and on the necessity of keeping our banks in a condition to meet any emergency demands. This is probably wise from the standpoint of sound banking. My plea, however, is that the banking system ought to be supplemented

by a system of credit which will provide for the needs of the farm. There is no more staple asset than the real estate of the country, provided it is not inflated in value. There is not much inflation in farm lands. The inflated real estate is practically confined to the speculative areas in and about the centers of population. The farm lands, as the federal census will show, have steadily increased in value for fifty years. This increase in value while making security stable at the same time makes it difficult for the young farmer without capital to secure a farm. A generation ago there were unoccupied or cheap lands to which the young farmer might go with a reasonable hope of providing himself a homestead even under the system of loans that has prevailed. There is need now of developing some such system as has been developed in Ireland, Germany, and in France, having agricultural credit societies able to make long time loans at low rates of interest, and thus enable the industrious young farmer to take hold of the business of buying land and eventually paying for it. This is vital to the public welfare.

Absentee Ownership

The present tendency as every one knows is to absentee ownership. In some cases this works well, but in many cases it has resulted in encouraging men to live off the rental of land while giving to the tenant the opportunity for a bare living and no prospect of ownership. It is un-American to develop and maintain a system of land tenure that looks to landlordism and a permanent rental class but little better than the peasantry of Europe. The history of the land values will, I think, demonstrate that farm lands could well bear as low a rate of interest as municipal bonds. The important defect in the present system is

that it fails to encourage the purchase of farms by men of small means. The early days of American farming were characterized by the fact that young men could buy farms on credit with a reasonable hope of paying for them. In many instances, I have found young men graduating from colleges of agriculture, having been brought up on farms and thoroughly familiar with farming operations, discouraged at the prospect of getting hold of a farm that they could manage and operate upon scientific methods. Our credit system, therefore, seems not to have been in harmony with our theory of an educated farmer. It is a gratifying fact that these questions of farm credits are being agitated in financial circles and that public sentiment is steadily approaching the belief that a safe and adequate credit system lies near the heart of the problem of a better agriculture.

Spokane

Spokane, Wash., October 1st.—Large sums of money are being shipped from Spokane banks to the surrounding grain districts to help the country banks meet the demands of harvesting. The Spokane banks are in splendid shape to handle the situation, as was evidenced by the unusually sound condition reported on the September 4th call of the comptroller of the currency. Large amounts of cash surplus are available for the purpose. To date the need of the country banks has been for money to carry on the harvesting and threshing, as the army of professional threshers and harvest hands must be paid in cash. The general crop movement is not expected by Spokane bankers until October and they foresee no difficulty in meeting the demand then. Railroad men do not anticipate a car shortage in

the Spokane country when the crop movement begins in earnest. They believe the movement will be gradual, enabling them to supply cars as needed.

Enormous Irrigation Project

The million dollar irrigation project near Brewster, Wash., 125 miles northwest of Spokane, is expected to be started next spring. Marvin Chase, chief engineer, finds the cost of the system will be less than \$70 per acre for the 1,500 acres of orchard land to be brought under the ditch. The company handling the project reports that arrangements are being made to finance the system.

Banking Notes

Ownership of the Woodland (Wash.) State Bank has passed from L. G. McConnell and associates to L. M. Plamondon, J. M. Ayres, R. A. Henry, J. A. Murphy, Harry Dunham, F. L. Stewart and C. A. Taylor. The new owners plan to increase capital as the growth of the community may justify.

A deserted bank building at Kahlotus, Wash., recently attracted the attention of robbers, who broke in during the night. The safe baffled their efforts, but they opened some safety deposit vaults, which were empty. The intruders vented their chagrin by breaking up the furniture.



Your Pacific Northwest Items HOW ARE THEY ROUTED?

BELIEVING that a needless loss of time incident to injudicious routing of western items might be avoided if facts were better known, this bank has compiled the above map which shows how geographical position and railroad construction combine to give Spokane undisputed commercial supremacy in the Inland Empire. ☞ Direct correspondence with practically every point in this territory enables this bank to ensure its clients quick returns and good service. ☞ It makes a special appeal to banks desiring a prompt clearance of their western items.

The Old National Bank OF SPOKANE

Capital One Million Dollars

Resources Ten Million Dollars

OFFICERS

T. J. HUMBIRD, Vice-President

D. W. TWOHY, President

W. D. VINCENT, Cashier

W. J. KOMMERS, Assistant Cashier

J. A. YEOMANS, Assistant Cashier

W. J. SMITHSON, Assistant Cashier

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The Leavitt and Johnson National at Waterloo has acquired adjoining property to its institution so that it now has a frontage of 165 feet on Commercial Street. The recent purchase was made with the idea of improving the site, upon which the institution plans to build a handsome structure. The consideration at the recent purchase was reported as \$25,000.

Des Moines, October 2d.—Des Moines bankers who attended the convention of the American Bankers Association have returned to Iowa convinced that it was the greatest meeting the association ever held. Iowa bankers naturally enough are proud that two of their number should be honored. Arthur Reynolds, who was made vice-president, and I. M. Carpenter of Monticello, who succeeds him on the executive council, are able and well known financiers. There seems to be no reason to doubt that Mr. Reynolds will next year be chosen president. John Elliott of the Commercial Savings was one of the last of the party to return to Des Moines, although Secretary Hall came home via New York where he attended to business matters. The bankers think that Detroit is entitled to credit for the excellent brand of entertainment put up. Some of the special features provided were especially pleasing.

In an interview upon his return, Arthur Reynolds stated that the bankers believe that there is too much political unrest in the country to-day to make it advisable for them to continue to advocate the Aldrich currency plan to the exclusion of other plans. He thinks that the bankers followed the wise course when they decided to work hand in hand with whichever party wins out at the forthcoming election.

"This was a tactful move in my opinion," said Mr. Reynolds. "It demonstrates that the bankers of the country are alive to the embarrassments of conditions at present and that they are anxious to lend their assistance in the passage of laws of a character that will place the finances of the nation on a stable and satisfactory basis. It did not seem advisable to continue to work for the Aldrich plan in view of the political campaign that is now in progress and which is conceded to be exceedingly difficult for the political prophet to solve."

Tax Commission Recommendations

Definite announcement has been made by the Iowa tax commission relative to the recommendations which that body will make to the legislature. The report will be completed about October first but it is already given out that these recommendations are certain:

First—A state tax commission to be named by the governor and to act independently of the executive council and other organizations.

Second—Making the full valuation of Iowa property the basis for taxation instead of the one-fourth valuation that exists at present.

Third—Establishment of the office of county assessor.

Fourth—The present law taxing moneys and credits at a flat rate to continue as at present.

The law relating to the taxation of banks will probably be put up to the new tax commission in case the recommendations are adopted and the permanent commission is named. This will be one of the problems

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

which that body will be expected to work out. There is dissatisfaction among bankers over the fact that they are not assessed on the same basis as other people, but it seemed to be impossible for the temporary commission to make a recommendation that was entirely satisfactory. The commission has, however, compiled comparisons showing what other states have done which it is expected will prove of utmost value when once the concrete law-making is started.

Counterfeiters Arrested

It is believed that the government has unearthed some sensational attempts at counterfeiting in the arrest of Mr. and Mrs. W. O. Kelley by U. S. officers. The pair were arrested at Vinton and it was in Benton county presumably that they had been working in the making of spurious coins. Kelley was arrested on the charge that he had been passing counterfeit money and a quantity of bogus half dollars were found in his pockets. Later his wife was picked up. It is said that Vinton bankers have recently encountered many spurious half-dollars, quarters and coins of smaller denomination.

Bank Robber in Custody

The Iowa Bankers Association detectives have landed one of the men who some days ago robbed the State Bank at Lake Park, escaping with \$3,000, it is thought. Joe Hartman is under arrest at Spirit Lake, and four pals might also have been with him had they not put up such a plausible story that the sheriff let them go upon their promise to report to him later. Needless to say the men never did report, but Hartman and one of his pals was again arrested. One of them broke and ran to a cornfield and made his getaway, leaving Hartman as the only one of the entire group in custody. After the robbery, the men mounted a gasoline motor car, rode as far as St. James, Minn., then turned the car around and started it back at full speed for Spirit Lake. The car jumped the track and fortunately did not collide with any trains. It developed that one of the gang had been boarding at the Lake Park hotel for a week prior to the robbery. The blanket used to deaden the sound of the explosion was stolen from the

hotel in question. Blood stains around the bank indicate that one of the men was injured in the explosion. A few nights prior to the Lake Park robbery, the First National at Grand River was entered and \$1,000 taken. There were six men in the party and it is thought they are the same who robbed the Lake Park institution.

New Bank at Keokuk

Officers have been announced for the new Security State at Keokuk and it is definitely decided that the bank will soon be on its way with a capital stock of \$100,000 and surplus of \$25,000. The president will be W. B. Seeley of Mount Pleasant; vice-presidents, J. B. Weil and A. Weber of Keokuk; cashier, W. E. A. French of Keokuk. Directors, John Rouvane, Geo. S. Tucker, Jacob Schouten of Keokuk; D. Turney of Fairfield; B. F. Ketchum of Farmington; J. E. Peterson of New London. W. B. Seeley is president of the Citizens Mutual of Donnellson and of the First National of Farmington. Mr. Ketchum is vice-president of the latter named institution. J. E. Peterson is president of the Iowa State of New London and Mr. Turney is director in the Iowa State Savings of Fairfield.

Advantages of Finger Print Method

Unusual interest has been taken by bankers in the statements made in Des Moines by Warden McClaughry of the Anamosa reformatory relative to the efficacy of the finger print method of identification. This method is being advocated by many bankers as one way of putting an end to forgers. Mr. McClaughry declares that the mode is positive and complete. He suggests that every penitentiary in the state and every insane hospital proceed at once to secure thumb prints of the inmates so that they may be preserved and used later on in identification work.

Foresee Record Crops

Samuel F. Foft, well known banker at Waukegan, has been taking a "straw vote" on the crops of central Iowa. Farmers who come into his bank are asked to give their crop yields. Fifty-two farmers were questioned and the result showed that oats in that vicinity turned out this year an average of 63.7 bushels per acre; winter wheat 38.7 and rye 32.2. Mr. Foft believes this average is maintained throughout the central section of Iowa and he points to the figures as evidence that the state is going to set some new records this year.

Iowa Banks in Splendid Condition

It is probable that the next bank statement issued by the state department following the call of September 11th will show the Iowa banks in splendid condition and ready to handle the crop moving period. Des Moines bankers report tremendous increases in the deposits as compared to a year ago. The Davenport banks report deposits of \$28,678,018.80, an increase during the past year of \$2,416,606.99. Other cities make similar showings.

For Auditor

Bankers are interested in the political situation in Iowa especially as it relates to the auditor's office. It was thought up to a few months ago that Auditor John L. Bleakly would have little difficulty in securing another term. But things have changed. There is now a bull moose candidate in the field in the person of C. F. Meier of Elkader. There is also a democratic candidate and Auditor Bleakly finds himself in danger of a split field. Mr. Bleakly has been an efficient official and his management of the bank department has given satisfaction to the financiers of the state. The bull moosers have a complete third ticket in the field and there is much apprehension

among republican candidates as to just what the outcome will be.

Iowa Banking Notes

Bankers at Webster City are not in the habit of receiving drafts for \$80,000 for deposit, and when Mrs. C. C. Morton, wife of a piano tuner, entered one of the institutions with a draft for that amount, she almost caused a panic. But it was placed to her credit. Mrs. Morton is one of the heirs to a \$3,000,000 estate left in Virginia and the draft was received by her through the mails a few days before she placed it in one of the banks.

The Exchange Savings is the name of a new institution at Dickens, Clay county. The capital stock is \$20,000. The president is H. N. Smith; vice-president, W. M. Kenderdine; cashier, E. P. Flint; assistant cashier, C. F. Walsh.

A committee of attorneys of Jasper county have recommended that disbarment proceedings be commenced against P. E. Johansen, an attorney at Mason City, but formerly president of the First National at Colfax. It is charged that as representative of an estate, Johansen engineered a lawsuit that was not strictly straight.

The Peoples Savings at Crawfordsville has filed articles with a capital stock of \$20,000. W. J. Lease is president; J. E. Davis is vice-president and J. R. Jones is cashier.

The Cleghorn State has renewed its articles for a term of twenty years.

The banks are starting their annual prize-giving contests for the biggest ear of corn or the most corn grown on any single acre. The crops this year are so good that it is anticipated that the judges in the various towns will have trouble in awarding the premiums.

The marriage of Philip M. Casady, son of Simon Casady, well known Des Moines banker, to Miss Nina Barnes Miller of Minneapolis has been announced.

The Union Savings at Davenport declared a quarterly dividend of \$2.50 per share and transferred \$15,000 to the surplus account.

A trust deed for \$10,000,000 to the Harris Trust and Savings of Chicago has been filed in the district court at Cedar Rapids. It covers a proposed bond issue by the Smith-Dows corporation of Cedar Rapids.

J. C. Jensen has been chosen on the board of directors of the Commercial National at Council Bluffs, succeeding the late J. F. Wilcox.

Mr. and Mrs. R. A. Crawford have returned from an extended trip to Europe. Mr. Crawford is president of the Valley National Bank.

B. E. Sebern, cashier of the Farmers Savings at Manson, has recovered sufficiently from a stroke of paralysis to be removed from the hospital at Rockwell to his home at Manson.

The Iowa State at Mason City has voted to increase its capital stock from \$50,000 to \$75,000.

Five indictments have been returned against E. A. Boggs, formerly of Waterloo, and he has been arrested by the sheriff of Grundy county charged with embezzlement and obtaining money under false pretences. It is averred that Boggs flimflammed the bank at Morrison out of \$62,000 without giving good security. At a hearing held in Waterloo recently, Boggs admitted that he had spent in the preceding twelve months \$190,000 on a monument company and testified that the money was borrowed from various banks, mainly without giving security. Boggs had been prominent in the service of the interur-

ban company and had established a line of credit which enabled him to work his schemes. He was arrested at Kansas City after detectives had searched for him for a week.

Sioux City

By JOHN J. BIDDISON.

Of most importance to bankers of this vicinity this week is the death on the night of September 30th of J. E. Henriques, secretary of the Farmers Loan and Trust Company, whose passing away at the age of 65 years from a stroke of apoplexy has been a source of keen regret to his friends. Mr. Henriques had been in the banking business since young manhood, starting in Chicago. He there achieved distinction for saving the books of the institution where he was employed. He was known over Iowa as a Shriner and a Democrat. He was once a candidate for state treasurer on the Democratic ticket. He had been a resident of Sioux City for 14 years and prior to that lived in Marshalltown and Cedar Rapids. His body will be cremated at St. Paul.

Banking Notes

Carl Norrbom, for several years past a teller in the Woodbury County Savings Bank, has resigned and taken up his duties as cashier of the American Savings Bank, filling the place made vacant by the resignation of Albert Wedgewood.

The Witten (S. D.) German-American Savings Bank has closed its doors, being unable to continue operations with the scant business it was doing. It had been known for some time to be weak. The last report showed but \$5,000 deposits, an indebtedness of \$4,000 on borrowed money and only \$310 in cash.

F. W. Converse, president of the Iowa Savings Bank, of Estherville, Ia., has disposed of the greater part of his holdings in that institution to Mack J. Groves and will move his family to Los Angeles to reside. Mr. Converse has managed the Iowa Savings Bank since 1905, and during that time it has doubled its deposits.

The Farmers Savings Bank has been organized at Cushing, Ia., with the following officers and directors: Glen M. Gracey, president; Geo. A. Dewell, vice-president; Ralph Evans, cashier; Ed. Ferry, Hans Grell, Ferd Hummel, A. E. Rekenenthaler, Wm. Laing, and Geo. Volkert, directors.

B. E. Sebern, cashier of the Farmers Savings Bank of Rockwell City, Ia., has sufficiently recovered from his paralytic stroke of last August to be taken to his home in Manson. His condition is still precarious, however.

Among the Visiting Bankers

The following bankers were in the city during the past week: W. E. Briggs, cashier Stock Yards National, South St. Paul, Minn.; C. R. Richards, cashier of the Ocheyedan (Iowa) Savings Bank; Harry Wentzy, president, Security Savings, Rapid City, S. D.; Herman Fortin, cashier, Farmers Bank, Salix, Iowa; C. R. McDowell, cashier, First National, Doon, Iowa; H. G. Morrison, cashier, First National, Peterson, Iowa; P. B. Dirks, cashier, Citizens State, Oacoma, S. D.; A. J. Grainger, assistant cashier, Farmers Bank, Salix, Iowa; A. G. Ohlson, cashier, Vivian (S. D.) State Bank.

W. H. Pratt, Jr., president of the Brule National, Chamberlain, S. D., was in Sioux City Monday on his way to Clinton, Iowa, having received a telegram that his mother was very sick.

John J. Large, vice-president of the First National, is away on a trip to New York.

Central Credit Bureau as an aid to Examiners

Too many precautions can not be taken by banking departments to protect and safeguard the interests of the depositors and banks. Unscrupulous borrowers, speculators and bank promoters are ever devising schemes to defraud. Our experiences in the past have shown that many of the bank failures in this state might have been prevented had a proper system of co-operation existed between national and state examiners. A system which would show the shifting of undesirable loans, the control of institutions carried on borrowed money, the loan lines of over-extended borrowers, and one which would permit of a free and constant interchange of this information between the national and state banking departments.

At a conference of examiners held at the custom house on July 7, 1911, a plan was suggested which has met with the approval of many examiners. Since that time George C. Van Tuyl, Jr., superintendent of banks of the state of New York, has established a "Credit Bureau" in his department, and it has occurred to me that your readers might be interested in its work as an aid in making examinations more thorough and effective.

Credit Bureau

The Credit Bureau is maintained in the branch office of the department at No. 60 Broadway, New York. We have a complete card record of every borrower of five thousand dollars and over in state institutions. We have a record of the directors of every institution and facilities for ascertaining their outside business and corporate affiliations. We have a record of holding companies; a record of inactive securities and a record of every share of bank stock that is hypothecated in any institution under our supervision. This information is obtained from many sources, the principal one being the examiners' reports. We have a complete record of failures, bankruptcies and of large judgments; a memorandum of borrowers who are in financial difficulties, and other information which may in any way affect the standing of our banks or the credit of bank borrowers. This data is carefully compiled so as to be of assistance to examiners in their examinations.

Loan Lines

At each examination information regarding loans of five thousand dollars or over is taken from the records of the institution by our examiners, and is immediately forwarded to the Credit Bureau for compilation. The forms used call for the following:

1. Name of borrower.
2. Business.

This becomes rather important for the purpose of ascertaining the business in which the borrowers are engaged. Sometimes through this medium we learn of instances where clerks and others are used as dummy borrowers. You do not have to look far back to find instances, where a longshoreman borrowed fifty thousand dollars on an unsecured note, a bookkeeper one hundred thousand dollars, clerks sums ranging from thirty thousand to one hundred thousand dollars, all for the benefit of officials or of interests friendly to them. A number of these interesting notes are now uncollected exhibits in the hands of the receivers of closed banks. In examining so-called bills receivable, the dissimilarity in business of the makers and borrowers is often a warning to the examiner to be careful of accommodation paper. At any rate the examiner will

Joseph A. Broderick, head of the credit bureau of the New York state banking department explains its methods and points out the benefits. Information is safe guarded. Neat aid to making loans

have a fair idea as to whether the business of the borrower is such as to entitle him to the credit granted.

3. Address.
4. Loans without collateral.

In this column are listed all loans which are not secured by collateral. Purchased paper is listed, but in this case the examiner places the two letters "P. P." to indicate this class of paper.

5. Loans with collateral.

In this column are listed all loans secured by collateral, excepting loans secured by active stock exchange collateral.

6. Kind.

Loans secured by real estate collateral are designated by the letters "R. E." If by bank stock the letters "B. S." are used. All other loans, excepting those secured by stock exchange collateral, are marked "O. C.," meaning "other collateral." In the case of bank stock the examiner lists every loan secured by bank stock (regardless of the smallness of the loan), the name of the borrower, the number of shares hypothecated, the name of the person in whose name the stock has been issued.

7. Endorsements and Guarantees.

Under this heading the liabilities of borrowers as endorsers and guarantors are duly noted. The so-called bills receivable are listed and the examiner designates them by the letters "B. R."

8. Approximate Deposit Balance.

This column is more for the use of the examiner than for the Credit Bureau. It is of great assistance in judging paper. For instance, the examiner after having listed the loans under the respective columns calls for the deposit ledger of the institution for the purpose of getting an idea of the class of deposit carried by the borrower. If the account is an active one and a fair balance is carried, it shows a healthy condition of the account. If the balance is small and inactive, it is a warning to the examiner that it might be a good plan to look up the standing of the borrower. If no balance is carried the loan is either an old note which will bear investigation before being passed at face value, or purchased paper. The deposit ledger tells so many tales. Since adopting this blank we know of a number of instances wherein it was found that loans were really being maintained without any record on the books, favored parties having the privilege of maintaining continuous overdrafts by being permitted to draw against uncollected funds. Kiting transactions have been discovered and while the officers have been able in many instances to explain the circumstances, still, under our present form of examination, these explanations have to be made before the board of directors. In fact, all loan lines are discussed by the examiner with the board of directors before the completion of the examination.

The Credit Bureau as an Aid to Examiners

Before each examination the examiner is

furnished with a list of matters of importance which should receive special attention at the institution he is examining. For instance, borrowers who have failed or gone into bankruptcy since the previous examination of the bank; judgments against borrowers; old loans that are apparently being kept alive by adding interest at each renewal; so-called bills receivable that are remaining stationary; investment securities of questionable value; doubtful collateral; holding companies; the officers' and directors' outside business affiliations. The examiner in charge of the Credit Bureau is frequently consulted during the course of an examination as to the financial standing of directors, credit of borrowers, their bank loan liabilities in other institutions, the valuation of securities and other matters arising during the course of the examination.

Special Work

The real work in this bureau comes in the comparison of loan lines. Sometimes a loan taken by itself might appear to be all right, but when it is considered in connection with the circumstances in other institutions, a different condition arises. If a borrower is found to be increasing his line, or opening a number of bank accounts, inquiry will be made as to his credit standing. If it develops that he is in an over-extended position, the national bank and clearing house examiners are consulted and records compared. A thorough investigation will follow. If necessary a call will be made at the office of the banks interested and definite information obtained as to the borrower's loan liability on a stated day. Over-extension if discovered in time may be corrected. Not long ago, upon investigation, it was learned that a certain concern maintained borrowing accounts in twenty-seven banking institutions. Many of the loans were granted on the basis of a false financial statement. A number of national banks forced a reduction of the loans. An attempt was made to borrow the necessary funds from up-state banks, but this plan was promptly discouraged by our bureau. Just a few weeks ago a prominent business man in an up-state city was found to be in an over-extended position. Though borrower in both national and state banks, no one bank had a correct financial statement on file. Co-operation between examiners in this district would have disclosed this weakness months ago.

Purchased Paper

Commercial paper has come to be recognized as an excellent secondary reserve. The increased demand has brought evils. Irresponsible brokers are attempting to sell second class and questionable paper, particularly to small country institutions. The bureau investigates the standing of brokers and advises the examiners of the lines to watch. Paper is sometimes sold by two brokers, one unknown to the other. An instance is known where a broker discontinued selling paper for a corporation because of an unsatisfactory condition of affairs. The company wrote to the different banks holding its paper agreeing to sell notes direct and to divide the broker's commission. Later this concern failed and the banks sustained considerable loss. Small banks are advised that by purchasing through reputable brokers, authenticity of signature, a reasonable guarantee of credit standing and fair guard against over-extension of borrower, is assured. The examiner in charge of the Credit Bureau frequently consults note brokers in re-

gard to the credit standing of customers and the outstanding commercial paper liability.

Directors' Relations with Their Institutions

Some directors, who appear on record as large stockholders, are found to be hypothecating practically their entire stock holdings. Some even go so far as to borrow upon the shares which, under the law, they are required to hold free and clear from incumbrance. But the department very promptly declares such directors disqualified. Their stock holdings give them an influential voice in the management; but a sense of fair play does not prevent some from discounting their unsecured notes at the bank with which they are connected and their collateralizing loans at other banks. Nor does it prevent them from sanctioning unreasonable loans to corporations which they control and to individuals with whom they are associated. This is the class of directors we are watching. Directors must play fair with depositors and stockholders. Borrowers must play fair with banks. Banks must play fair with the banking department.

Safeguarding Credit Information

The credit of borrowers in state institutions will never in any way be injured by any indiscreet criticism by bank examiners. The credit standing of a customer is never questioned, unless the weakness is a matter of public knowledge or record, or unless it is absolutely necessary to protect the interests of our institution. Our bureau is an important innovation in banking supervision, which has come to stay. Its records of borrowers' bank loans, of securities, of officers' and directors' outside affiliations, of dummy borrowers, of borrowers who have been defaulted in the past, of bank stock hypothecated, of so-called holding companies, and of all other information in its files, have been obtained from confidential sources and its use is scrupulously safeguarded. This bureau is an aid to examiners in determining the value of notes and securities. It is a check on borrowers who obtain loans based upon false statements; who exchange notes; who discount accommodation notes as bills receivable; who borrow at several banks without knowledge to the others. It tends to curb the activities of unscrupulous promoters who purchase the control of banking institutions on borrowed money, in order that they may obtain additional facilities for conducting their speculations.

OUT-OF-TOWN VISITORS

Among the out-of-town bankers in Chicago this week were Col. J. S. Aisthorpe, president of the First Bank and Trust Company, Cairo, Ill., chairman of the executive council, Illinois Bankers Association; B. F. Harris, vice-president of the First National, Champaign, Ill.; Arthur Reynolds, president of the Des Moines National. A. D. Campbell, assistant cashier, Hanover National, New York, stopped in Chicago on his way home from the Peoria convention. Mr. Campbell was very enthusiastic as to general conditions and said that he expects 1913 to be a very prosperous year. J. T. M. Johnston, president of the National Reserve Bank, Kansas City, says that crops in that section of the country never were better, and that their marketing will be reflected in increased activity in all lines of business. He says that sentiment in the territory tributary to Kansas City is all in favor of Governor Wilson. C. G. Lang, assistant cashier of the Kahoka (Mo.) Savings Bank, chairman of Group 1 of the Missouri association, spent several days in Chicago. Groups 1 and 6 will hold a joint meeting at Hannibal on October 17th. Mr. Lang says that a large and enthusiastic gathering is expected.

New Burroughs Bulletin On New Bank Systems

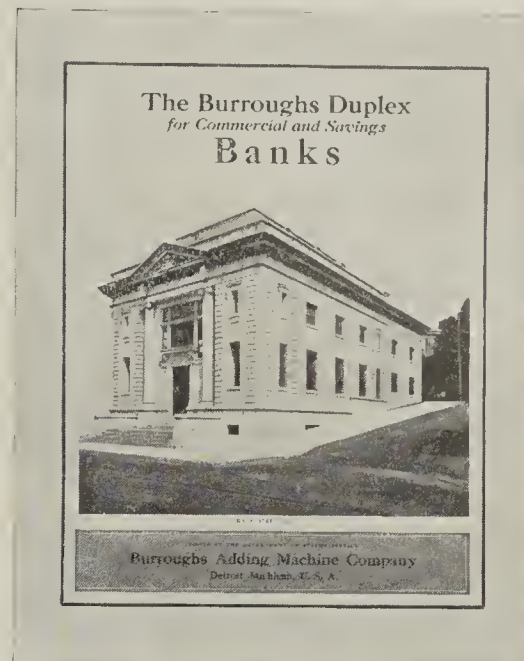
Our new Systems Bulletin for Commercial and Savings Banks, just off the press, describes some last-minute methods used by large and small banks to reduce their operating costs.

For instance it tells how *one* bank effected a great saving in time and labor by using the *latest* style Burroughs to do much of the work that heretofore had been done mentally, because the ordinary adding machines couldn't touch it.

The Bulletin gives many of the time and labor saving features of the Burroughs Duplex as applied by large and small banks everywhere.

We will send a copy of the Bulletin, free, of course, to any bank or banker who asks for it. Just ask for Systems Bulletin No. 497.

Burroughs Adding Machine Company
65 Burroughs Block, Detroit, Michigan



A Free Copy For Every Banker

FEATURES OF BULLETIN

Old and new balances. Taking yesterday's and today's balances with overdrafts at one operation.

Handling Clearing House items, showing form used by a prominent state bank.

Making customers' statements. Making duplicate statements of accounts, the original going to the customer at the end of the month with all cancelled checks. Duplicate used for ledger sheet for that account.

Writing transit letters, showing forms used by Old Detroit National Bank.

Listing notes receivable and interest, securing totals for both at one operation.

Check Journal. Securing totals of items in each account and grand total of all checks for the day at one operation.

Proving mail, securing totals for each letter and a grand total of all letters at one operation.

THE HON. H. P. MILLER AT KENTUCKY CONVENTION

(Continued from page 19)

the 'Money Trust' that this fund was obtained from the United States treasury and not Mr. Morgan.

"The country never should have placed itself in such a relation to one man, and the fact that Mr. Morgan never made known the nature of the transaction at the time, but received the applause as if he had contributed it from his private fortune, will not satisfy the people."

OFFICIALS OF DEFUNCT BANK INDICTED

On Saturday last a special grand jury at Boise, Idaho, returned fifteen indictments against three former officials of the defunct Boise State Bank. Those indicted are J. W. Keefe, assistant cashier; Eugene B. Payne, cashier, and J. W. Mehargue, a director. They are charged with making false reports of the bank's condition to the state examiner. All have been released on bonds. The bank was closed about a year ago.

ILLINOIS HIGHWAY PICTURE

The "Motor Age," Chicago, has a double page picture of the bankers, farmers, business men and motorists who attended the Peoria convention of the Illinois Highway Improvement Association, with President W. G. Edens in the center. The "Motor Age" has been, and is, a powerful advocate of better roads in Illinois.

CHICAGO FIRM OPENS PHILADELPHIA OFFICE

William A. Read & Co. of this city have opened a Philadelphia office under the management of Roland L. Taylor, resident partner of the firm.

L. A. GODDARD

L. A. Goddard, president of the State Bank of Chicago, has been out of the city this week.

Announcement has been made that stockholders in the La Salle Street National have agreed to exchange holdings for shares in the newly organized La Salle Street Trust and Savings Bank.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BUSINESS OPPORTUNITIES

If You Want to buy or sell the controlling interest, or stock carrying official position in a bank, we would like to hear from you at once. No publicity or annoyance. All dealings strictly confidential. We have a number of good banking propositions for sale. C. B. Enkema & Co., 236 Security Bank Bldg., Minneapolis, Minn. References: Any Bank or Commercial Agency here.

Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

FARM LANDS

Bargains in Florida Farm Lands. 4000 acres, Hillsboro County, near station, good soil, will cut 8,000,000 feet of lumber, \$10.00 per acre, one third cash. 2000 acres, 12 miles from Tampa, \$16.00 per acre, one third cash. All located in settled districts. Write today, Box 154, Plant City, Florida.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by
THE CHICAGO BANKER,
407 Monadnock Building, Chicago.

The Mechanics Trust and Savings Bank of Dallas, Tex., has transferred all its business, deposits and accounts to the Guaranty State Bank and Trust Company of that city.

RETURNS FROM PEORIA

W. G. Edens, assistant secretary of the Central Trust Company of Illinois, has returned from Peoria, where he attended the convention of the Illinois state highway commissioners, that of the Illinois Bankers Association, and the meeting of the Illinois Highway Improvement Association. Mr. Edens expressed the hope that the resolutions adopted at the good roads meeting at Peoria and the work of the good roads committee of the bankers' association will be felt when the legislature convenes next winter, and be effective in securing favorable consideration on the part of the members of the legislature for good roads legislation. A number of Illinois bankers are quite active in the affairs of the Illinois Highway Improvement Association, including S. E. Bradt of De Kalb, Senator O. W. Johnson of Ottawa, H. G. Herget of Pekin, Charles George of Albany, L. L. Emmerson of Mount Vernon, O. P. Bourland of Pontiac, Thomas Sudduth of Springfield, C. C. Craig of Galesburg and O. W. Hoit of Geneseo.

ROAD CONGRESS MEETS AT ATLANTIC CITY

The American Road Congress held its convention this week in Atlantic City. Much enthusiasm and interest were displayed by those in attendance. The subject of highway building was taken up and discussed very thoroughly. The American Bar Association was represented by two delegates from New York and one from Massachusetts. This association is to have charge of the legislative section of the congress, the purpose of which is to promote good roads legislation. There also was a conference of the leading educational institutions of the country held under the auspices of the Society for the Promotion of Engineering Education. It is said that there is an inadequate supply of engineers to carry on the work of road building, and this is one of the difficulties with which the congress is confronted. The object of this conference was to see if the colleges and universities of the country could not supply the required number of engineers to carry on this work. Logan Waller Page, director of the United States office of public roads, presided over the congress.

PLAN TO FINANCE COTTON GROWERS OF TEXAS

As a result of the announcement by the San Antonio National that it would lend \$500,000 to farmers at the rate of 6 per cent to assist them in the marketing of the cotton crop, and the further announcement by other Texas banks of their intention to do likewise, and prompted by a desire to aid the farmers in this respect, J. Hirsch of the Corpus Christi National, chairman of the Texas bankers committee on agriculture, has sent out to members of the association a letter in which is expressed the hope that the members can see their way clear to give some assistance to this worthy cause. The plan adopted by the San Antonio National is to lend not exceeding \$35 per bale, basis middling, the loan to be secured by cotton in warehouse. Loans are to be made only to those actually growing the cotton. Officers of the Farmers Union have worked out a complete plan which appears to safeguard the interests of the bank, embodying a form of note, warehouse receipt, and bond, the latter being a bond of the warehouseman, joined by substantial local bondsmen, setting forth the fact that the cotton pledged is the property of the person receiving the loan and reciting that there are no liens or encumbrances against it. The request is made that if the bank addressed decides to render aid in the matter it publicly advertise that fact. It is believed that the

note, warehouse receipt, and bond will enable the banks to finance these loans with eastern or foreign connections, should it become burdensome upon the local institutions to carry the load; also that a general movement to assist the farmer will result in obtaining and maintaining fair prices for cotton, and that a great service will be rendered the public in facilitating the marketing of Texas' staple crop.

DIRECTORS CO-OPERATE WITH EXAMINERS

At the recent convention of national and state examiners held in New York, Horace S. Andrews of that state told of an order issued some time ago by the banking department of New York requiring the examiners to call a meeting of the board of directors or trustees of all banks and trust companies which they might examine, for the purpose of conferring with them regarding its affairs. One of the principal difficulties encountered is getting all of the directors together, as the notice often is short and the examiner cannot tell just when he will be able to present his findings to the board. At these meetings are read all loans held by the institution which are not secured by actually quoted stock exchange collateral. In larger institutions all loans over five thousand dollars and in smaller institutions all loans over two thousand dollars are read. The schedule which is used at these meetings, and which forms a part of the report, is forwarded to the superintendent and calls for the directors to go on record, first, as to worthless loans; second, loans of questionable value; and third, slow loans. There also is discussed any pertinent matter of sufficient importance to merit attention. Much good has been accomplished as a result of this rule in the way of changes in accounting systems, and numerous loans which the examiner has felt to be undesirable, but which would not readily be admitted to be so by an officer, have been frankly conceded by the board as being improper, immediately to be charged off or classed as slow assets. This system has met with universal commendation. Mr. Andrews stated that he believed directors should be such in reality and not merely in name. Recently he has made a practice of examining minute books in order to ascertain the attendance of directors at board meetings. Some of the records which he saw were most surprising. In one case he found that a director had not attended a meeting in over two years, in several cases there was no attendance for a year and in numerous instances the attendance was only two or three meetings out of twelve. He declared himself in favor of a law automatically dropping a director who does not attend at least 50 per cent of the yearly meetings of the board, or who is absent from a certain number of consecutive meetings.

SPECIAL LETTER ON CORN PRICES

Messrs. Ware and Leland, corn and provision brokers of this city, have issued a special corn letter in which they say that the recent cold spell no doubt has caught a lot of corn before its maturity. They believe, however, that the damage will not be noticed much until the weather warms up. These brokers hold that corn at less than a cent a pound is not too dear, and that purchases of either May or December futures will prove very attractive investments.

KANSAS BANK DEPOSITS REACH HIGH MARK

Kansas bank deposits now are higher than ever before in the history of that state. They have increased \$7,000,000 in the last ninety days.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

ments of the relationship which exists between banks and newspaper publications to be found in the English language.

CHICAGO is to have another class newspaper and it promises to be of the very highest type. John M. Glenn, secretary of the Illinois Manufacturers Association, is sponsor for the company which will print the Manufacturers News, of which the subscription price is to be \$3. Mr. Glenn has promised to send a sample copy to those who will request it.

SECRETARY ARCH B. DAVIS of the Kentucky Bankers Association made a fine report at the Louisville convention. He shows a membership of 97 per cent of all the banks in the state, and all dues are paid up. Mr. Davis and his friends believe that this is quite as good a showing as can be made by any state, owing to the habit they have in some states of carrying their delinquents until they get ready to pay up and be good fellows.

ONLY three years ago the Kentucky association had not much to brag of in the way of surplus. In fact, the association was \$1,000 or more in debt, and had been so for several years. Then they discovered Mr. Davis.

NOW the association is a bloated bondholder, having not less than \$3,000 invested in first-class railway securities. The net turned over for the past year was something in excess of \$1,400.

SO vigorous a campaign did Mr. Davis conduct on the subject of rates for bank burglary insurance that banks of Kentucky are not now paying much over 25 per cent of what formerly was paid. Davis has the knack of making his members feel that they ought to be loyal to the association, and that no better way of showing it could be discovered than by turning over this class of their business.

THE building up of the Kentucky association has been accomplished in a large part by the organization of the group system. Rivalry early began to show itself as between the groups, until to-day six out of the eleven groups have every bank a member. Last year only two groups could show a clean sheet.

DURING the Illinois convention at Peoria the directors of the First National of that place added \$50,000 to surplus, making capital and surplus of that institution \$850,000. The First is considered one of the solid institutions of Peoria.

"PLEASE accept congratulations on your enterprise in getting out the fine edition of the 'BANKER' so promptly upon the adjournment of the recent Peoria convention. It surely was a 'daisy.'—W. S. Rearick.

HOUGHTON MIFFLIN COMPANY'S publications announced for October 5th include a charming Jessie Willcox Smith edition of Clement C. Moore's well-known poem, "Twas the Night Before Christmas;" a new novel, "Forfeit," by Clara Lathrop Strong; a boy's book, "Licky and His Gang," by Grace Sartwell Mason; "Egyptian Days," by Philip S. Marden; "The Gateway of Scotland," by A. G. Bradley; "Gallant Little Wales," by Jeannette Marks; "The Best Stories to Tell to Children," by Sara Cone Bryant, whose preceding volumes on this subject have been so helpful and popular.

IT is less than three weeks since the appearance in this country of Grant Richard's "Caviare," and the publishers, Houghton Mifflin Co., announce that a third edition is already in print. "Caviare" was published some-

what earlier in England and is well established as one of the most popular of the fall books.

IF Roosevelt felt he was sure to lose the fight, would he compromise and quit if offered the job of opening the Panama Canal with all the "lime light" he could desire—all to himself?

COL. FARNSWORTH is in Detroit on important business this week. He has his forces hard at work on the 1912 proceedings book.

"WE want to congratulate you upon the excellence of your pre-convention number as well as your report of the Peoria convention."—William Hazzard.

THE State Institution for Savings at Minneapolis is putting out a neat little paper called "Thrift." It touches upon banking, saving, and includes departments for the housewife as well. Tells how to make crab apple jelly, quince butter, etc. Pretty clever!

LOWELL (IND.) NATIONAL tells the farmer his harvest isn't safely put away until the money is in the bank.

CHAS. ALDEN SELTZER, who wrote "The Two-Gun Man," the best cowboy story in ten years, has a new book out, the "Coming of the Law," which is said to be cattle country fiction of a high order. Outing Publishing Company.

MELVIN W. ELLIS of Charles City, Ia., who went over to Detroit on the big "Special," has completed his month's vacation "down East" and is back on the job with the Security Trust.

NEVER before have we witnessed constantly increasing business activity through the ordinarily dull weeks of summer and never before has business continued to expand during a presidential campaign. This condition, coupled with the fact that nearly every crop, whether grain, fruit or vegetable, is setting a new record this year, brings us into the closing months of 1912 surrounded by substantial prosperity.—Security National, Minneapolis.

THE trusts contributed 75 per cent of Roosevelt's campaign funds in 1904. Did Morgan give his \$150,000 to a real enemy of Wall Street, or is J. P. Foolish with money?

THE resignation bluff didn't work, so we are told, for President J. D. Phillips is said to have promptly accepted it. On the other hand the fuss-button resignee retired to the woods or to a sanitarium and sent out a c. q. d. recall of the resignation.

COL. AISTHORPE was in Chicago this week in a fine humor to call bluffs. He doesn't believe that any action toward releasing the resignation can be taken except by the administrative committee or by the council. He thinks Crampton is out since October 1st, when he made his resignation effective.

THERE is a good lesson in one or two recent vacancies at as many Chicago bank counters. They were new business getters and doing well.

WHEN the Detroit convention was coming on apace they were not to be pacified that the A. B. A. officials and program speakers were to be cared for before other applicants could be assigned at the headquarters hotel.

ONE of them wrote an open letter to the banking papers and they published it (except THE CHICAGO BANKER), threatening to march upon the hotel committee and the Pontchartrain with a musket.

THEY were sore at this publication for not using their abusive talk and threats. It is said that these open letters caused an in-

quiry to be made which decided their employers that when on the road the bank and its work were only secondary considerations.

THE records showed more letters sent and more care displayed over their hotel reservations than over plans for work at the conventions. Other matters were neglected till their aristocratic notions as to hotels had been satisfied.

MUCH of their talk was about the food, and "rooms with bath," at past and coming conventions. It was but a short distance to the parting of the ways.

THERE is a moral in all this, with the additional further warning not to live entirely up to your income (nor beyond), for when the shut-off man comes along it's hard on an innocent family which has a right to better things.

S. E. WARD is the new cashier of the Commerce, New York. He began at Mansfield, Ohio. Former cashier, Nielson Olcott, now is a dignified vice-president. Has quite a record behind him already.

THE Farmers Bank at Bogard, Mo., operating as a private bank since 1903, has been granted a state charter with an authorized capital of \$25,000. O. H. Fleming has been elected president; P. W. Pitts, vice-president; and J. E. Johnson, cashier.

THE bankers of Idaho have a new issue. Suit has been brought against the American Bonding Company of New York on the state bank examiner's bond of \$50,000.

NEGLECT to examine the failed bank at Hailey for more than a year is the charge. This opens up a wide field and it may stick.

STATE EXAMINER F. E. BAXTER, of Ohio, has asked Attorney-General Hogan for a ruling on that section of Proposal No. 34, adopted by the people of the state in the special election September 3d, which provides for the inspection of private banks before they are entitled to use the word "banker," "bank" or "banking." He wishes to know whether the proposal is self-operating or whether legislation will be needed to put it into effect.

THE question is of some importance to the department. If no enabling legislation is required the provision will be in full force and effect January 1, 1913, when the majority of the amendments become effective. To pass the necessary legislation would probably require several months, and, with a probable additional delay provided by the initiative and referendum, it might be nearly a year before the work can be undertaken.

CHARLES H. HUTTIG is back at his desk in the big Third National, St. Louis, and a published interview on financial and banking conditions demonstrates his firm conviction that prosperity is general and likely to be permanent.

"PROPOSED Bank to Double Capital," is a promising and hopeful title line in the Financier.

DID you ever see such prompt and willing witnesses, of similar size, as those who appear to testify to their 1904 Roosevelt campaign subscriptions?

AFTER all, that \$150,000 campaign subscription which J. Pierpont made to the T. R. fund was but ten days' interest on the \$69,000,000 profit to the house of Morgan & Co. on the Tennessee Coal & Iron gobble, which the Strenuous One allowed to be put over contrary to law.

THE thing was Dirt Cheap!

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\$9,000,000

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L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

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Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
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Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
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Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
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Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

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The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

OCTOBER 12, 1912

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Investment Bank- ers Convention

The first annual convention of the Investment Bankers Association of America has been called to meet in New York the third week in November. The probabilities now



WILLIAM C. POILLON
New York City
President, Trust Company Section, A. B. A.
Vice-president Bankers Trust Company

are that the date will be the 20th or 21st. Many western investment companies and the bond departments of a great many of the banks are interested and expect to participate. George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank of this city, is president of the association and was very active in its organization. A special train from Chicago over the New York Central Lines is being arranged for by W. N. Record, 210-20 Postal Telegraph Building, this city. Reservations can be made through him by correspondence.

RALPH N. BALLOU ON GENERAL SITUATION

Ralph N. Ballou, cashier of the National Produce Bank of Chicago, says that business is good and that the present rates for money are from 5½ to 6 per cent. Deposits are holding up well and a general feeling of optimism is prevalent. Mr. Ballou says that politics will not have any effect upon business conditions.

PAYING OFF DES MOINES RAILWAY BONDS

Continental and Commercial Trust and Savings is paying off the \$25,000 Des Moines City Railway underlying obligation of the first mortgage gold bonds, dated October 1, 1889, of the Des Moines Street Railroad Company at par and interest.

PRAISES CREDIT SYSTEM

David R. Forgan, president of the National City Bank of Chicago, at a farewell banquet tendered the 400 foreign delegates to the International Congress of Chambers of Commerce, declared that the credit system by which commerce is carried on is the world's strongest assurance of universal peace.

NEW BOND ISSUE BY HARRIS TRUST

Harris Trust and Savings Bank of Chicago is bringing out in this market \$2,100,000 first mortgage 5 per cent gold bonds of the Texas Power and Light Company. The company serving a population of over 125,000 does the entire commercial electric light and power business in twelve of the most important towns and cities in the most thickly settled section of Texas, including Waco, Sherman, Paris, Temple, Palestine, Tyler, Cleburne, Gainesville, Brownwood, Waxahachie, Hills-



THOMAS B. McADAMS
Richmond, Va.
President Virginia Bankers Association
Cashier Merchants National

boro and Bonham, and also the gas business in four of these cities. The bonds are due June 1, 1937, and are being offered at 97 and accrued interest.

BANKERS CLUB TO MEET

The Bankers Club of Chicago will hold a meeting on Saturday evening, October 19th, at the Blackstone. Dinner will be served at 6:30. Frank O. Wetmore, vice-president of the First National, is president; William A. Heath, president of the Live Stock Exchange National, is vice-president, and W. D. C. Street is secretary and treasurer, who, together with F. L. Hankey and Nelson N. Lampert, constitute the executive committee. B. F. Harris, vice-president of the First National at Champaign, ex-president of the Illinois Bankers Association, will address the members.

Edmund D. Hulbert

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company of Chicago, returned this week from a three months' trip to Europe. He says that while London is strong financially, heavy responsibilities are being shouldered at the present time. France, as always, is comfortable and in a position to comfort others. Conditions in Germany are better than they were six months ago. Naturally, some apprehension is felt in Europe as to the possible effect of the Balkan trouble on finance, but it is difficult to predict at present just what this will be. The attitude of England toward the United States would be more friendly but for the Panama Canal controversy. This, however, will not affect the investment by Englishmen in American securities, which are in good demand. Mr. Hulbert looks for firmer money in England next month. Quite a number of American loans are coming due there, which will have some effect upon financial conditions here. Rates are likely to be firm all over the world for some time to come. There has been a crop failure abroad this year—almost a complete failure in England and a partial failure in France and Germany. As a result of this it probably will be necessary to import oats in France before the next crop. Mr. Hulbert says that the general feeling of cheerfulness and optimism which prevails in the United States does not exist in Europe.

It is reported that the Colonial Trust and Savings Bank of this city contemplates an increase of its capital stock from \$600,000 to \$1,000,000. It is said that the matter probably will be acted upon by the board of directors shortly.



R. H. TREMAN
Ithaca, N. Y.
Vice-president New York Bankers Association
President Tompkins County National

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

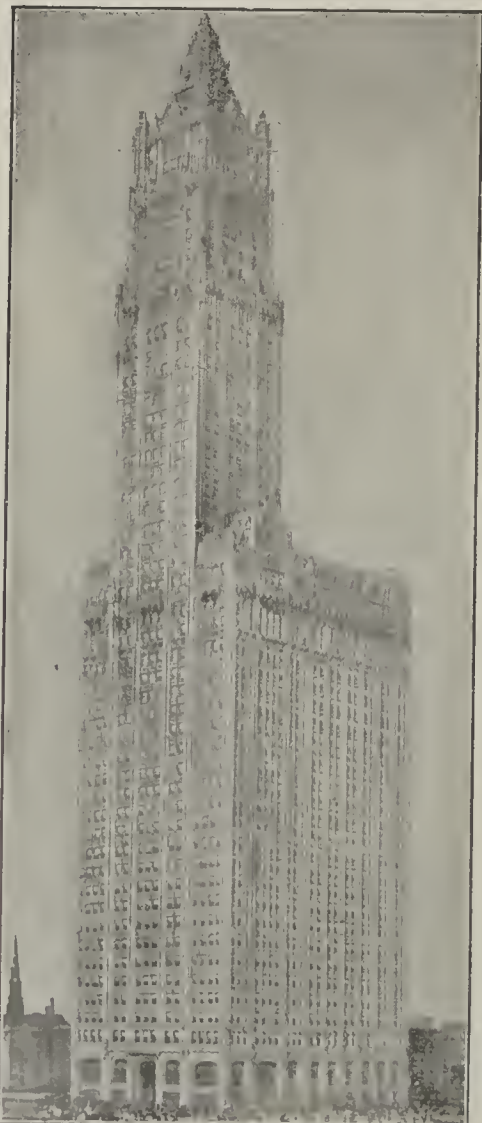
GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



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The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

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WILLIS G. NASH	- -	Vice-President
BENJ. F. WERNER	- -	Vice-President
CHARLES H. IMHOFF	- -	Vice-President
EMIL KLEIN	- -	Vice-President
HARRY E. WARD	- - -	Cashier
D. H. G. PENNY	- - -	Assistant Cashier
RICHARD J. FAUST, JR.,	- -	Assistant Cashier
J. FRANKLYN BOUKER	- -	Assistant Cashier
SAMUEL REDFERN	- -	Assistant Cashier

Mainly About Banks and Bankers

TR. says Harriman asked him to get Cortelyou to raise some money for the New York campaign. Of course, the natural order would have been for Cortelyou to ask T. R. to ask Harriman to raise the money, such being in his and their respective lines.

THE bull-moose papers print daily vindications for the head of the herd. Too many of them will kill off any good man.

GEORGE WOODRUFF was in Washington this week comparing notes with the state department on foreign farm-loan banking laws and practices. In "two yumps" George has arrived as "an authority." So much for youth, ability and energy in a well assorted mixture.

INDIANA'S popular secretary, Andrew Smith, has sent out invitations to the sixteenth annual convention at Indianapolis for next Wednesday and Thursday—the 16th and 17th. Chicago attendance promises to be large.

ON the subject of private bank supervision by the city of Chicago, Corporation Counsel Sexton has sent an opinion to the judiciary committee, stating that the city has power to regulate and exercise control over private banking business within the city. The law department was instructed to draft an ordinance.

HAMILTON, Ont., has sent out a fine booklet by the "Industries" department. The claim is made and pretty well justified that Hamilton "is the manufacturing center of Canada."

BANKING facilities of Hamilton are of the very highest order. There are 28 banks and branches doing business and growing up with the city, and are liberal in the extension of credit, where credit is deserved.

SECRETARY HAYNES McFADDEN prints his Georgia look-out notices in red ink. He uses the reward system in protective work.

IT has been a whole week of "A Big Time in the Old Town To-night" in St. Louis. The sixth annual automobile show became a part of the St. Louis fall festivities, the free attractions of which included the veiled prophet pageant on Tuesday night, with its 21 gorgeous floats, a \$50,000 frolic of wealthy St. Louisans. There was aviation by the Aero Club, including fancy flying over and under the Eads, Merchants and Free bridges.

THE staff of the state school of railway engineering and administration at the University of Illinois has just received the gratifying intelligence that Dr. Ching Chun Wang of Peking, who completed the graduate course in railway administration at the university in 1911, has been appointed assistant director of the entire system of government railways in the Chinese republic. In addition, he is to have special charge of the Peking-Mukden line.

ANOTHER former University of Illinois student, Hon. C. B. Yen, recently has come into prominence as a member of the staff of

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

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An experienced Illinois banker will purchase substantial interest or control of either State or National bank in territory tributary to Chicago. Answers in confidence. Abundant references. Prompt replies. Address

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Modern Mosler Bank Safe with triple time locks

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1410 First National Bank Building CHICAGO

General Lin, who is now making a tour around the world. General Lin was commander-in-chief of the republican army that broke the power of the empire.

THE Yale Review for October has three political articles which will repay the reader tenfold. They are "The Republican Party," by Samuel J. Elder; "The Progressive Party," by Herbert Knox Smith and "The Democratic Party," by Henry Wade Rogers.

CHARLES H. SABIN, vice-president of the Guaranty Trust of New York, has been elected a director of the National Railways of Mexico.

EDWIN CHAMBERLAIN of Texas has been complimented by the Savings Bank section in sending out his Detroit address on European land and rural credit facilities in a neatly printed booklet.

E. ST. ELMO LEWIS of Detroit has been away on a motor trip through New York, New Jersey and Pennsylvania. Lucky dog!

REPUBLICAN orators who predict a panic if the democrats would have trouble in explaining those of 1903 and 1907 on that basis, if anybody asked them to do it.

NELSON H. GREENE reports a wireless message from "the premier bull fighter" of Mexico who says he is enroute to Illinois "to make war on a certain bull-moose who is making trouble for Governor Deneen and President Taft."

GREENE doesn't know whether the Mexican will go after B. F. Harris or Medill McCormick, or lay in wait for Frank Funk.

"WOULD you, Gov. Wilson, have signed the four tariff measures vetoed by President Taft a few weeks ago, if you had been president?" This query is put to the Democratic candidate by Secretary Nagel. It is to be repeated by the Republican spellbinders who trail Wilson on his present western circuit.

C. N. FOWLER says "they tried that question and answer scheme on Woodrow when he ran for governor. And do you know," said C. N., "that it contributed largely to his election?"

THE trouble was then that the governor's answers were entirely his own and not those expected. They pleased the people.

WE have in hand a special Illinois supplement gotten out by a New York publication, "fully illustrated" with the pictures of the publicity men in the patronizing banks. This is treading on pretty thin ice.

THE Ware & Leland tip is that "the tremendous money value of our crops will bring on a bull market after the political situation has been finally cleared up and money becomes sufficiently easy to take care of the demands of the mercantile as well as the financial community. We are still believers in a big bull market later on, and would govern our market operations accordingly."

A PROTEST has been filed with the secretary of state by the Illinois Trust and Savings Bank and the Northern Trust Co. against the use of the name of the "Illinois Northern Trust and Savings Bank" by the company recently incorporated under that name to do business within the city limits of this city, in view of the confusion and conflict that will arise from the similarity of names.

W. T. ABBOTT was a general favorite down at the Peoria convention, where he was a practicing lawyer ten years or so ago. (Continued on page 30)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

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G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
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J. E. MAASS, Assistant Cashier
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LETTERS OF CREDIT ISSUED

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THE LIVE STOCK Exchange National BANK OF CHICAGO

President William R. Hamby to Texas Bankers Association

General William R. Hamby, who was president of the Texas Bankers Association at the time of the convention in May, but who was too ill to make an address or to be present, was paid a most unusual compliment by the delegates. A resolution was passed extending their sympathy to him and requesting that upon his recovery his annual address be prepared and published for the good of the association. General Hamby has complied with this request, and it goes out to the Texas bankers in the shape of an open communication published through THE CHICAGO BANKER and other financial papers. General Hamby made quite a record as president of the Texas association and has included many recommendations in his prepared paper which follows.—Ed.

Expressing profound regret that sickness denied me the pleasure of attending the San Antonio meeting last May, I wish to acknowledge my debt of gratitude for the messages of love and sympathy in my affliction, and my grateful appreciation of the honors conferred upon me, and in compliance with the gracious action of the association that I prepare a written report in lieu of my annual address, the following suggestions are herewith submitted:

Our country is at peace with the world; the people of our state, prosperous and happy; and with prospects for the coming harvest as good as have been known for many years, certainly no meeting of the association was ever held under more auspicious conditions.

Texas is a grand state; it is an empire in extent and a continent in resources, and while our growth has been marvelous, yet the development of our agricultural and industrial riches is yet in its infancy. You have exercised a potential influence in the results so far achieved; your hearts are in this great work; your hands are at the plow, and your shoulders to every wheel of progress. Your intelligent co-operation, your energy and your patriotism will be rewarded by making our state the richest and our people the happiest on earth.

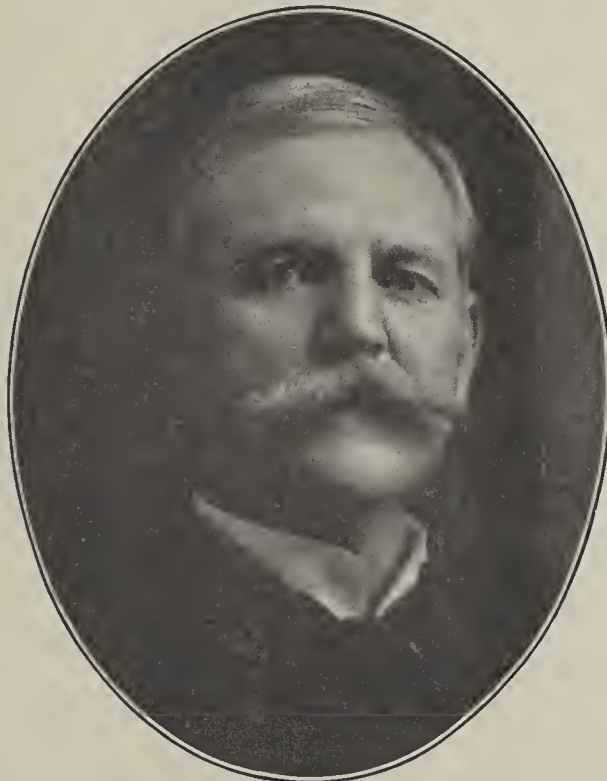
Importance of Official Examinations

The Texas Bankers Association is a kind of social democracy—a mutual benefit organization; there is no privilege or benefit that is not accorded to all without distinction. No matter whether it is a city bank with \$1,000,000 capital, or a country bank with \$10,000 capital, equal benefits and equal privileges are enjoyed. It should be the ambition of every member to make his bank an honor to the association, and the pride of his shareholders and depositors. It should be the aim of every banker to dignify and elevate the standard of banking; the higher the standard of integrity the higher will be the standard of banking; the higher the standard of banking the higher will be the standard of citizenship. We should welcome every security and every regulation that strengthens the bank, that eliminates the speculator and that protects and safeguards the depositor and the shareholder.

I hope the day is not far distant when the association will have its own auditors who will work along the lines of and in connection with our state and national bank examiners.

Importance of official examinations urged. Praises Miss M. L. Riddle, editor of the "Record," and secretary J. W. Hoopes. Education and agriculture legitimate subjects for helpful attention. Wants U. S. sub-treasury and a "Blue Sky" law for Texas. Mutual insurance advocated

Banks are public institutions, and every banker holds a place of honor and trust. The conservative banker should welcome the strictest regulation and control; the reckless banker should be forced to accept them or be driven from the field. Incompetency, recklessness, and speculation have been the fruitful sources



WILLIAM R. HAMBY
Austin, Texas

of every financial disaster. With proper safeguards of regulation and examination these troubles will be removed, and while they will not eliminate the possibility of future panics, they will minimize the danger. We should make the standard of banking so high that membership in Texas Bankers Association will be an honor that can be attained only by those who invite rigid examinations and welcome every safeguard of conservative banking.

Last Convention Useful and Instructive

While the executive council gave much thought and attention in arranging the program and securing orators for the San Antonio convention, the association was richly rewarded by the fruits of their labors. The address of Mr. Tilton of Alabama on Crimes Against Cotton; of Mr. Pondrom on Overdrafts; of Mr. Ferguson on Currency Legislation; Mr. Adams on Compress Receipts and Bills of Lading; of Judge Kone on Agriculture; of Judge Glass on Railroad Stock and Bond Law and of Mr. Burns on "Those Who Endeavor to Live by Their Wits," were all interesting and logical, and the San Antonio meeting will go down in history as one of the

most useful and instructive ever held by the Texas Bankers Association.

Report of Officers

I wish to express my thanks and to acknowledge my appreciation of the faithful and efficient work of Secretary Hoopes, Treasurer Rodgers and Detective Boyd, and of the cordial and intelligent co-operation of the executive council in their work for the growth and prosperity of the association.

Especial attention is directed to the interesting report of Secretary Hoopes; it is so comprehensive, and his suggestions so intelligent and instructive that further discussion of the matters mentioned by him is unnecessary.

Notwithstanding the deficiency in the cost of the publication of the Texas Bankers Record, and the increased expenses of the detective department, the report of Treasurer Rodgers shows the association to be in a healthy financial condition.

The report of Detective Boyd shows he has been active and vigilant. The department is of great importance to every member of the association and should be broadened and strengthened in every possible manner. The certainty of the arrest and conviction of the criminal is the surest guarantee of protection.

Texas Bankers Record

When the association decided at the Dallas convention in May, 1911, to establish the Texas Bankers Record it was not contemplated it should ever become a money maker, but only an official bulletin through which to reach its members, and through which members could reach each other, but under the capable management of Secretary Hoopes it is now practically self-sustaining. The editorial department, under the intelligent direction of Miss M. L. Riddle, and its mechanical execution, will compare favorably with any of the banking journals in the United States, and far surpasses many of them. The Record is a credit to the association and should receive the hearty support of every member.

Texas Woman's Bankers Association

Texas has always been the pioneer in civilizing and christianizing the savage, and the recent establishment of the Texas Woman's Bankers Association is only another mile stone in the march of progress. It will be a valuable auxiliary to the parent association and will multiply the interest in our annual conventions. While business matters are discussed, experiences given, and practical ideas exchanged at our meetings, yet the greatest benefits and the chiefest pleasures are the social features enabling us to meet face to face and to know each other personally. The organization of the Texas Woman's Bankers Association comes to us like a benediction to help us broaden and cultivate this field of opportunity. We give the ladies a cordial welcome and shall watch with signal interest the evolution of their usefulness.

Importance of Education

This is an age of progress, and progressiveness is demanded of banks and in banking methods, as much, if not more so than in any other field of usefulness. Something else is

The Fourth National Bank Of the City of New York

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SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00



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With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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Sec. & Asst. Treas.

demand of bankers besides figuring interest and examining collateral. If we should preserve our representative form of government and maintain the free institutions of our country, we must pay more attention to the education of our children. We must encourage and foster our schools and see that the heart and the conscience of the child is educated as well as the brain. If the integrity of our republican form of government is ever assailed it will be from domestic intrigue, venality and corruption, and not from foreign foes. Education will do more to correct errors, improve unwholesome conditions, and allay the spirit of unrest and agitation that is now approaching like a rising tide than all other influences combined. Encourage and foster our schools and make them the palladium of American institutions.

Agricultural Education

A distinguished economist recently said: "Those who study the laws of supply and demand in this country unite in the opinion that the teaching of agriculture in our common schools must supplant the teaching of Greek and Latin."

The bankers of Texas should be the leaders in every thought and action, in every good work that has for its object the growth and prosperity of our state. Nothing will more rapidly develop the resources, or increase the wealth of Texas, than education along the lines of improved agriculture. Our state spends many thousands of dollars, while the national government spends many millions of dollars every year, in teaching scientific agriculture and in encouraging progressive farming. If each farm in Texas could be made to produce only one more bale of cotton than it now produces, it would add more than \$5,000,000 annually to the wealth of our people, and if by practical agricultural education, and by the application of improved methods of farming, each farmer could add one more bushel of corn, one more bushel of oats, one more bushel of wheat, one more bushel of onions and one more bushel of potatoes to the acre over what he is now producing, it would mean better homes, better barns and more prosperous citizens, and would soon double the deposits in the banks of Texas.

The teaching of agriculture should be a part of the curriculum in our common schools and in our high schools, as well as in the agricultural and mechanical college. The course of study should teach the benefits and advantages of agriculture instead of leading the mind of the child away from country life. The bankers of Texas cannot render the state a greater service than to join the great movement that has been inaugurated for the teach-

ing of scientific agriculture, and for the encouragement of improved and progressive farm work. Intelligent farming can be made more profitable to the farmer, and will yield better results to the banker than any other vocation in life.

One of the greatest auxiliaries to successful farming is good roads. They are essential to the comfort and prosperity of every community. No matter how fertile the land, the better the roads the more valuable becomes the farm. Bankers should work in harmony with county commissioners for the building and maintaining of good roads. There should be at least one first-class highway from every county seat to each neighboring county town. Thousands of dollars are wasted annually in almost every county in patch work that could be saved by competent road engineering, and by having the work done by contract. It is difficult and expensive to maintain the ordinary country road, hence the importance of building them substantially, and when a good road has been built it is economy to keep it a good road.

Legislative Suggestions

The banker is interested in every class of legislation to a greater extent than almost any other citizen, but some measures deserve more consideration than others. At every session

of the legislature ill-advised bills are introduced, which if enacted into laws would be pernicious and result in serious injury to the industrial and commercial interests of the people of Texas. A great responsibility rests upon our legislative committee, but no matter how able and vigilant they may be they should receive the active and zealous support of each member of the association whenever his cooperation is desired.

Among the important measures that should receive your thoughtful attention are "Negotiable Compress and Warehouse Receipts," and "Railroad Bills of Lading." Every year more than one hundred million dollars of the agricultural products of this state is interested in having proper laws enacted that shall fix the responsibility and safeguard the issuance of compress and warehouse receipts and railroad bills of lading. The recent decision of the supreme court emphasizes the importance of prompt legislative action.

The uniform negotiable instrument law is now in force in more than two-thirds of all the states. This is a matter of great interest, not only to the banker, but to all business men of the state. It is desirable and important to the commercial progress of every community and we should all actively aid in the enactment of such a law.

Another matter of importance for the protection of our citizens is the enactment of a law that shall regulate and control the selling of stock in fake companies and the exploiting of "get rich quick" and other "gold brick" enterprises. The recent report of the postoffice department shows that the people of the United States are annually robbed of more than one hundred millions of dollars through the sale of worthless securities and other "wildcat" propositions. Texas has paid its toll to swindlers whose schemes are as intangible as a nightmare, and it is earnestly hoped the next legislature will pass a law that will protect our people from further depredations of that character.

I believe it can be said without the fear of successful contradiction that bank stocks pay a higher rate of taxation than any other class of property. Laws for the assessment of personal property, including all classes of corporate stock, are so vague and indefinite that city boards of equalization and commissioners' courts are each a law unto themselves, but they usually made common cause against the banks. There is no good reason why bank stocks should be assessed upon a different basis, or be required to pay a higher rate of taxation than insurance stocks, telephone stocks or any other class of personal property. Every citizen, no less so than the banker, is inter-

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus - \$23,000,000.00
Deposits - \$176,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

ested in seeing that the revenue laws of our state shall be based upon fairness and justice, so as to conform to the constitutional requirement that all taxation shall be equal and uniform.

United States Subtreasury for Texas

The geographical location, the agricultural products, and the industrial and financial importance of Texas entitles us to the establishment of a branch of the United States treasury in our state. By unity of action and earnestness of purpose I believe we can secure this great prize, which would be of benefit to every line of commerce, and a great convenience to every banker. Let us make the effort and start the work without delay and when successful it will be time enough to discuss the place of location. What Texas needs is the subtreasury; the location will take care of itself.

Mutual Insurance at Minimum Cost

Referring to the question of adding a Mutual Insurance Department to the Texas Bankers Association as outlined in the Record for November, 1911: After further investigation of the subject and having discussed it with men who are familiar with the fundamental principles of insurance, and who are in a position to give unbiased information as to the practicability of this form of insurance, I am thoroughly convinced that if the membership is confined to the members of the association and their employees, whose policies would lapse in the event of their severing their connection with the association, that the plan is not only feasible and practical, but that it can be handled at a minimum cost to the insured.

The cost of life insurance as now handled, is much above the price our association would be called upon, on an assessment plan, to pay. And while a few members of the association have taken the position that the assessments for the first few years might be very small, but that the same would be increased as the members grew older, I believe that an adequate rate can be established low enough, yet high enough, to practically guarantee that the assessments would not be increased either in numbers or amounts.

The four elements that go into legal reserve insurance are the reserves by which the company guarantee either paid-up insurance, cash values, or extended insurance, at the same time put them on a basis that the premiums are higher in the first and younger age of the policies than that necessary to fulfill

those guarantees, and lower than the advanced stages, but of a sufficient amount to equalize the higher and lower rates so that the companies can have what is known as level premium rates, and at the same time fulfill their guarantees.

The life insurance company's savings, which go toward reducing the expense ratio of the companies, come from three sources: Savings in the actual over the expected mortality; second, making a higher rate of interest than the legal requirements on their reserves; and third, lapses on policies which have been carried a few years, on which their surrendered values are not as much as the collected amounts. Taking these in their order, it is a well-known fact that in our vocation the mortality is necessarily low. The lapse ratio should be low, and we would be collecting money only for the purpose of meeting the assessments in the case of death.

The expense item should be one of minor importance, as after the system is once successfully launched it will be largely a question of detail work.

There are two bases upon which this matter can be successfully handled: First, a lower premium for the younger ages and higher for the older, or by a level premium for both younger and older, graduating the proportionate amount of death values. Either of these plans can be worked out successfully, and once the association starts on the proper basis, there is

no question but what it can be successfully handled, and at least within an expense item of small amount, making assessments and the expense item for management of the association come within a margin of one per cent.

The question of health certificates or examinations can be handled properly and satisfactorily at a small expense, and a proper form can be gotten out by the medical director that will give the desired information as to whether or not the risk should or should not be accepted, at a minimum cost.

There are many worthy and deserving officers and employees of Texas banks who die in the harness, leaving helpless and dependent families, because they do not believe they are able to pay the premiums that legal reserve life insurance necessarily costs, and my only motive in suggesting the adding of a mutual insurance department to our association is to meet this demand. Many banks in the larger cities have established pension funds for their employees and if this system should be adopted by the Texas Bankers Association there, no doubt, are many banks that would be glad to pay the dues and assessments of their employees, as it would not materially increase the expense account.

My interest in this question is purely altruistic as my age would preclude me from participating in its benefits and the suggestions are made with the hope of helping those who might not otherwise be beneficiaries of any other plan of insurance.

Currency Legislation

Before closing, it may not be inappropriate to say a few words on a subject so vitally important to the industrial and commercial peace and prosperity of all the people of our country. We are all agreed that our currency and banking laws are defective and that some remedial financial legislation is demanded, but like all God-fearing people we are somewhat divided on the plan of salvation. With us it is a question of measures, not of results, and it is with keen regret that I cannot look upon the subject from the viewpoint of many of my good friends for whose opinions I have so much respect, but as the best results on all public measures can be obtained only by the attrition of ideas, it is earnestly hoped the discussion of the currency question will give to our country a banking system that is absolutely sound and scientifically elastic; one that will maintain unimpaired the integrity and the independence of the individual bank. We are

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THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA. 427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,468,000.00
Deposits - - - 15,397,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,267,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000
Surplus and Profits (earned) 2,270,000
Deposits, over - - 25,500,000

OFFICERS

L. A. GODDARD, President
HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY S. HENSCHEN, Cashier SAMUEL E. KNECHT, Secretary
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



all seekers after knowledge and he who can be of service to his fellow countrymen in arriving at the truth will not have lived and labored in vain.

QUESTIONS FOR ELECTORS TO DECIDE

On November 5th the voters of Illinois will be asked to decide three questions of public policy, the first of which relates to the appointment of a legislative committee to investigate the most practicable means of shortening our election ballot; the second is in regard to a revision of the primary election act, it being desired to eliminate certain objectionable features of the present law; and the third question relates to an amendment to the state constitution providing for the classification of property for the purposes of taxation, with taxes uniform as to each class within the jurisdiction levying the same.

The present election ballots, with the large number of offices to be voted for, have a tendency to confuse the voter and to cause him to become careless. It is doubtful, however, if any practicable method of shortening the ballot can be devised. There is no doubt but what there are undesirable features connected with the present primary law, one of which prohibits the changing of party affiliations oftener than once every two years and compels the voter to vote for all the candidates of one party. The present revenue laws at least could be greatly simplified by their revision. These propositions are the result of activities of the Civic Federation, and it is believed that voters will make no mistake in voting affirmatively on all three questions.

RECEIVERS REPORT FOR McCUM HOWELL

Receivers for the McCum Howell Company have filed a second report covering the assets and liabilities of the defunct concern to August 1, 1912, the former being placed at \$2,151,953 and the latter at \$2,649,038.

NEW SOUTH SIDE BANK OPENS

Central Manufacturing District Bank opened for business on Monday morning of this week. The officers are as follows: President, Edward E. Payne, formerly cashier of the Stockyards Savings Bank, and who is a son of Judge John Barton Payne; vice-president, H. E. Poronto; cashier, M. A. Graettinger, formerly cashier of the Merchants and Manufacturers Bank, Milwaukee, secretary of the Wisconsin Bankers Association, a state bank examiner for Wisconsin, and more recently representing the Live Stock Exchange National in the Badger state. The directors are John A. Spoor, Abraham Harris, Arthur Spiegel, Sigmund Silberman, John Magnus, David E. Shanahan, P. L. Knoedler, Arthur Meeker, Albert Pick, Edward E. Payne and William A. Heath. Mr. Heath is president of the Live Stock Exchange National and Mr. Shanahan is an active real estate operator in that neighborhood and well known in the Illinois legislature, having been chairman of the committee on appropriations for a number of years.

The building to be occupied by the new institution has but recently been completed at a cost of \$75,000; it is located at 1112 West 35th Street, near Center Avenue. The appointments include handsome marble and mahogany, and in every way present an up-to-date appearance. There are modern steel vaults for the bank and safe deposit vaults for its customers. Messrs. Payne, Poronto, Graettinger, Shanahan and others of the official organization were on hand promptly at nine o'clock when the bank opened, and remained there the entire day. The Central Manufacturing District Club, which is located over the banking room, gave a luncheon in the club rooms, which are modern, well-appointed

and up-to-date in every respect, and in whose opening the leading men of the central manufacturing districts have taken an active interest. A great profusion of flowers found their way to the desks of all of the officers of the bank. The new institution is opened to care for an extremely large population and manufacturing interests that are included in that locality. It is capitalized at \$250,000. There will be a savings department, and both the commercial and savings departments will be under state supervision and subject to clearing house and state examinations from time to time.

Deposits received by the new bank during the first day totaled about \$200,000, one-half of which represents the savings of the factory employees in the district served by the bank.

MISSOURI GROUP MEETINGS

Group meetings of the Missouri Bankers Association for 1912 will be held as follows: Groups 1 and 6 will hold a joint meeting at Hannibal on October 17th; Group 2, Brookfield, October 18th; Group 3, St. Joseph, October 16th; Group 4, Kansas City, October 15th; Group 5, Lexington, October 23d; Group 8, Jefferson City, October 22d; Group 9, El Dorado Springs, October 24th; Group 10, Neosho, October 30th; Group 11, Springfield, October 29th, and Group 12 at Charleston, November 8th. The time and place of the meeting of Group 7 have not been decided upon as yet.

CONDITION OF NEW YORK STATE BANKS

A falling off of \$17,783,827 in the deposits of state banks from June 14th to September 9th is shown in a statement issued to-day by Superintendent Van Tuyl of the state banking department. One hundred and ninety banks reported in June and 191 in September. During this period the resources decreased from \$631,783,542 to \$614,631,940 and the deposits from \$542,470,634 to \$524,686,807.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Tuesday, October 15, 1912, to stockholders of record at the close of business on Monday, September 30, 1912.

WILLIAM R. DRIVER, Treasurer.

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital	-	-	\$2,000,000
Surplus and Profits,			700,000
Deposits	-	-	31,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
 THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

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EDWARD TILDEN - President
 JOHN FLETCHER, Vice-President
 GEO. M. BENEDICT - Cashier
 J. C. MORRISON, Assistant Cashier
 H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN
 AVERILL TILDEN
 L. B. PATTERSON
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WHEN YOUR BANK BUYS SECURITIES

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INTERNATIONAL BANKERS

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JAMES J. HILL PURCHASES ST. PAUL BANK

St. Paul, Minn., Oct. 10th.—James J. Hill has completed the purchase of the Second National of this city. He gave his personal check for \$1,240,000 for the capital and surplus. The price paid, it is officially stated, was \$310 a share. W. B. Dean was requested to remain as acting president.

COURT HOLDS FOREIGN CORPORATION LIABLE

Municipal Judge Moran held this week that a foreign corporation doing business in Illinois, and which has not complied with the statute and obtained a license, cannot set up as a defense that it is immune from suits by creditors because under the law debtors cannot be sued by it; that the corporation is estopped by reason of its non-compliance with the statute. The decision was brought about as the result of a suit instituted by C. F. Ross against the New South Farm and Home Company for the recovery of \$7,000 alleged to be due as commission for having obtained a loan of \$100,000 from the Assets Realization Company.

NEW ILLINOIS BANKS

New Illinois banks have been organized at Allendale, Winnebago and Pesotum. That at Allendale was necessitated by the present oil boom, and will be capitalized at \$25,000. Plans for a new building have been completed. The Winnebago State Bank is capitalized at \$25,000. Clarence P. Coolidge is president and W. L. Norton, cashier. P. J. Gates is president of the Farmers and Merchants Bank, Pesotum, and J. Everett is cashier.

AVERY ISSUE PRACTICALLY SUBSCRIBED FOR

C. F. Childs & Co. of this city, who brought out the million-dollar issue of Avery Company, 7 per cent stock, announced early this week that the entire issue practically was subscribed for. The Avery Company of Peoria is one of the leading manufacturers of farm machinery in the United States.

PRIVATE BANK SUSPENDS

A private bank of Gladstone, Mich., known as D. Hammel & Son, has made a voluntary assignment, naming I. N. Bushong, manager of the Northwestern Coopersage Lumber Company of that place, as assignee.

KENTUCKY BANKERS ELECT OFFICERS

The Kentucky Bankers Association, in convention last week, elected the following officers of the association for the coming year: President, John E. Buckingham, cashier Paintsville National, Paintsville; secretary, Arch B. Davis, and treasurer, Henry D. Ormsby, cashier National Bank of Kentucky, Louisville. Hamlet C. Sharp, cashier State National Bank, Maysville; M. M. Waller, president Bank of Union County, Morganfield, and W. C. Montgomery, secretary Citizens Trust Company, Elizabethtown, were elected to the executive committee for terms of three years, to succeed Samuel Cassiday and John Stiles, of Louisville, and J. W. Porter, of Lexington.

The resolutions committee, headed by Chas. H. Ellis, presented the following resolutions, which were adopted: Approving the recommendation of President Waller for the formation of county associations of bankers; ap-

proval of the "Blue Sky Law" and urging the adoption of similar legislation in Kentucky; asking equitable assessment by the state, and asking congress to adopt some sane system of currency reform.

REPORTS GOOD CROPS FOR IOWA

Benjamin J. Howrey, president Waterloo (Ia.) Loan and Trust Company, called on Chicago banking acquaintances on Thursday. He reports business conditions as being very satisfactory in that portion of Iowa, and says that crops are very good. The Waterloo Loan and Trust Company is affiliated with the First National of that city. The combined deposits of the two institutions are in excess of two millions, while the total resources are \$200,000 above three millions.

AFTER FARMERS' SAVINGS DEPOSITS

The National Bank of Poteau, in Oklahoma, has addressed much effective literature recently to farmers on the matter of savings. Many farmers hoard their harvest receipts and this practice the bank wishes to break up. W. A. Campbell, cashier, has sent all near by farmers a neat coin purse bearing this inscription:

"If you have money, we want it.
 If you want money, we have it."

"FOOT-LOOSE AND FREE"

The Outing Publishing Company has published a humorous vacation story of travel, by Alexander Chalmers, in a neat volume. It ran as an illustrated serial in the Outing Magazine and is delightfully original. Would make an instructive and interesting gift book for a boy.



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.

Banks and Bankers seeking high grade securities are invited to avail themselves of our Bond Department through which we furnish Railroad, Municipal and Public Service Corporation Bonds. Stability and remunerative returns characterize these investments.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President WM. M. RICHARDS, Asst. Cashier	OFFICERS EDWARD J. PRESCOTT, Secretary JOHN C. ARMSTRONG, Asst. Secretary	F. O. BIRNEY, Asst. Secretary H. T. SIBLEY, Mgr. Bond Dept. H. L. SCHMITZ, Mgr. Real Estate Loan Dept. WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Visitors at the recent convention of the Illinois Bankers Association in Peoria who were impressed with the size of the city's business interests and of the solid character of her banking institutions, will be pleased to receive copies of a new illustrated book with the title "The Great Middle West—Peoria the Central City." The book is issued by the publicity committee of the Peoria Association of Commerce, and includes pictures of every phase of the business and social life of the community. The book was published primarily for distribution at the National Implement and Vehicle Show recently held in Peoria. Illinois bankers who wish a copy should address Cashier William E. Stone of the First National of Peoria.

The First of Peoria, whose magnificent new building caught the eye of convention visitors, has just added \$50,000 to the surplus fund, left \$16,000 to undivided profits, and paid the regular dividends. The total capital and surplus of the bank is now \$850,000. The deposits are nearly four millions.

National of Decatur's New Home

Readers of THE CHICAGO BANKER who remember seeing the picture of the new home of the National Bank of Decatur in the convention number of the journal, will be pleased to learn something of the general location and plan of the building. The building will be erected on the site of the old private bank of L. Burrows & Company, the latter bank recently absorbed by the National of Decatur and removed to the present location of the National Bank. This plan will make but one move for the constructing bank. The location of the new bank will be on the east side of North Water Street, about midway between the palatial homes of the Citizens and of the Millikin. This location will place the three national banks of Decatur in close proximity, "three in a row," and will make a pleasing picture to the eye of the stranger who is seeing the sights of busy Decatur.

The National Bank of Decatur will erect a building of the monumental plan in contrast to the high office buildings of the Citizens to the north and of the Millikin to the south. The Mosler Safe Company of Chicago has been awarded the contract, at a cost of \$145,000. The building will be ready for occupancy

August 1, 1913. Number 1 Imperial Blue Bedford stone will be used in the construction with a special finish of gray polished granite across the front, and with bronze pillars about the doors. Special imported marble will be used for interior finish, and will also cover the vaults. The interior of the bank provides large and commodious rooms for the use of ladies, directors, officers and customers, while the cages of the tellers and bookkeepers will include all of the late ideas in bank construction.

The vaults will be in the east end of the building, with circular door, quadruple time locks, and the best protective devices. There will be 816 deposit boxes for the use of customers, while ample room and security will be given to the cash, books and files of the bank. The bank will be a fitting addition to the already beautiful and commodious banking houses in Decatur. J. A. Meriweather, cashier, and J. R. Allen, assistant cashier of the bank, attended the Peoria convention and are well known to convention goers. B. R. McReynolds is the president, John Ullrich is vice-president and W. A. Phares is also an assistant cashier.

New Bank at Muncie

A new bank will soon be established in the village of Muncie, on the Illinois Traction system, about midway between Danville and Urbana. Although surrounded by banks in many neighboring villages, and with one bank only two miles away, it is believed that the new bank will get a goodly share of the business of the farmers about. This is the first bank for Muncie.

Big Peoria Exposition Great Success

Illinois bankers who recently visited Peoria at the time of the convention of the Illinois Bankers Association heard much about the coming National Implement and Vehicle Show to be held in that city. They will be interested to learn that the exposition was a great success and that 75,000 people passed through the gates during the nine days of the show. The success of the show for 1912 was greater than that of 1911, even going beyond the expectations of the management. Peoria bankers and business men are very enthusiastic over the success of the exposition and, as the city is in the heart of the agricultural district of the Middle West, there is no reason why the marvelous agricultural "time-saving and labor-saving" devices should not be exhibited to many thousands of farmers, land owners, and bankers in such a way that the soil conservation idea of to-day will be materially advanced.

Peoples Bank a Large Advertiser

The Peoples Bank of Bloomington carries on a scheme of newspaper advertising which will be of interest to the many Illinois banks that are now thoroughly aroused over the topic of bank publicity. The Peoples Bank carries large display ads in the Bloomington newspapers and these are written in such a

F. E. FARRELL

E. E. CRABTREE

Established 1864

F. G. FARRELL & COMPANY, Bankers

Successors to First National Bank
JACKSONVILLE, ILL.

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GUARDIAN TRUST COMPANY OF NEW YORK

Invites the accounts of banks, trust
companies, corporations and individuals

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Hathaway, Smith, Folds & Company

Commercial Paper

137 South La Salle Street Chicago

Correspondence Invited

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Peoples Savings Bank & Trust Co.

Capital and Surplus \$400,000.00 Deposits over \$3,200,000.00

**Solicits Accounts and Collections from Banks,
Firms and Individuals on Favorable Terms**

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**MOLINE
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Fidelity and Forgery BONDS

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Burglary Insurance

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The Rookery Chicago

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SEND FOR SPECIAL CIRCULAR No. 50

S. W. STRAUS & Co.
INCORPORATED

MORTGAGE AND BOND BANKERS

ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.

way that each advertisement conveys to the mind of the reader some definite and impressive knowledge of the banking business, and of the value of having a bank account. These ads are changed frequently and are far from being the "stock" ads of many banks, giving merely the names of the officers and directors, its capital and surplus and street location, all of which the average newspaper reader already knows.

The Peoples Bank, located in one of the finest banking rooms in the Middle West, in a towering office building previously described in *THE CHICAGO BANKER*, is making rapid growth and is becoming a large clearing point for many central Illinois banks. F. D. Marquis is the president and W. L. Moore is the cashier.

Farm School at State Fair

Bankers visiting at the State Fair in Springfield were interested in the work of the boys' farm school which is being carried on at the fair under the direction of faculty members of the college of agriculture of the University of Illinois. Practical instruction in agriculture, and better yet, the best of encouragement for boys to remain on the farm, and many helpful ideas to promote more comfortable rural life, were the predominating ideas of the school. Another good stroke of work for bettering farm conditions has been struck. Many of these strokes are being observed throughout Illinois and the Middle West, and the bankers of the state have included in their business creeds the most advanced ideas of soil conservation.

Illinois Notes

A new state bank is soon to be established in Blue Mound, near Decatur, with capital of \$50,000.

The Wabash Railroad Company was working with the idea of conservation of natural resources when it issued special posters on seed corn and had them tacked up in every station along the road. Conservation of agricultural resources, as favored by various bankers' associations, is rapidly becoming the order of the day.

The First National of White Hall, near Alton, has a map of the state printed on its drafts showing its location with respect to Chicago, St. Louis, Peoria, Springfield, Quincy, Bloomington and other clearing points. Such an idea will be of assistance in transit departments over the country.

Woodford county real estate values are soaring, as three farms in that county recently changed hands at high figures, two at \$275 an acre and one at \$285 an acre. Eureka is the county seat. Illinois farm land values seem to be advancing all the time.

The National City Bank of Ottawa, of which Thomas D. Catlin, former president of the Illinois Bankers Association, is the head, reports a surplus of \$225,000 and capital of \$100,000. The bank is now open one hour Saturday evenings.

B. F. Harris, vice-president of the First National of Champaign and former president of the Illinois Bankers Association, will give an address at the convention of the Indiana Bankers Association in Indianapolis, on October 16th, speaking from the subject, "Man Liveth Not to Himself Alone."

The Commercial Club of Canton is waging determined war on the loan sharks who are operating in that city.

While authorities were preparing to inter the body of Christopher Strattmeyer, who recently died at Alton, it was remembered that he had been making \$5 a day for many years and had spent but little money. Search was made and \$4,485 in five, ten, and twenty dollar bills, and a bank book showing deposit of \$800, were found in the room of the dead man. No relatives have been located.

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Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

CHICAGO VISITORS

Wilson H. Doe, cashier of the Home National and Home Trust and Savings banks, Elgin, Ill., was a caller in the financial district this week. E. B. Redford, cashier of the Bank of Grand Rapids (Wis.), was unable to resist the temptation of seeing the opening game between the Cubs and White Sox this week. J. B. Green, vice-president of the Gary (Ind.) Trust and Savings, visited Chicago on Tuesday. Mr. Green says that business conditions are moving along satisfactorily in the important manufacturing metropolis of northern Indiana. W. A. Armstrong, cashier of the Peoples Trust and Savings of Galesburg, Ill., spent several days in the city this week attending the convention of the League of Building and Loan Associations of Illinois. Mr. Armstrong is treasurer of the local Galesburg organization and a delegate to the state association meeting.

BANKS CHANGE NAMES

From December 6, 1911, to September 5, 1912, seven Illinois state banks changed their names, either to make their titles more comprehensive or to avoid similarity with those of other institutions. After January 9, 1912, Chicago City Bank was known as Chicago City Bank and Trust Company. Interstate Bank and Trust Company of Peoria changed its name to State Trust and Savings Bank of Peoria on January 10th.

LESLIE M. SPRINGER MARRIED

Mr. and Mrs. John W. Quinn announce the marriage of their daughter, Mary Helen, to Leslie M. Springer, at Kokomo, Indiana, Wednesday, October 9th. Mr. Springer is cashier of the Kokomo Trust Company and well known in Chicago, where he formerly was engaged in the banking business.

CHICAGO'S STATE BANKS

On September 5, 1912, there were sixty-six state banks in Chicago. The Merchants Loan and Trust Company is the oldest, having been organized in 1857. The Hibernian Banking Association was established October 2, 1867, and the Illinois Trust and Savings, March 25, 1869.

Applegate, Mich.—The State Bank of Applegate has been chartered.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The city of Milwaukee is broke. At least the city treasurer has besought the common council to authorize the mayor and comptroller to borrow money at the best rates possible to meet a shortage in municipal funds. The city treasury contains at present \$194,692.15. A street car tax amounting to \$233,000 is nearly due and the city will probably borrow \$150,000 from the water department to meet immediate obligations.

May Form Mutual Guarantee Association

The failure of the bank deposit guarantee law in Oklahoma, reported by a recent investigating committee, may result in giving added impetus to the movement on foot among Wisconsin bankers to form a voluntary mutual guarantee association in advance of any legislation along this line in the state.

"The result of the law has been predicted by thoughtful bankers and economists from the first," said President James K. Ilsley of the Marshall & Ilsley Bank, referring to the Oklahoma fiasco. "The attempt to make the sound and prudently managed banks responsible for the losses of their speculative and reckless neighbors was not only unfair, but wrong in principle. It encouraged and gave credit for a time to institutions that could not otherwise have done business at all. The good banks, as far as possible, refused to assume the grave risks entailed by the law and gave up their state charters to become national banks. This left the smaller and weaker banks, together with those controlled by in-

competent and dishonest men, to guarantee each other. Such a situation could not last long, and apparently the end is near in Oklahoma. The compulsory law will have to be repealed soon, or there will be a complete collapse of the state banking system in Oklahoma."

The report of the insurance committee of the W. B. A. was returned to it at the annual meeting of the association in July, with the understanding that a special meeting be called to consider it as soon as suggested revisions were made in the drafted plan.

City Bonds to First Savings and Trust Company

To the First Savings and Trust Company have been awarded the \$325,000 city bonds, on a 4.20 per cent basis. The issue of \$200,000 school bonds was not sold because the bids submitted were below par. Comptroller Louis M. Kotecki states that he will hold these and other bonds for a more favorable market condition.

L. J. Petit Returned From Summer Home

President L. J. Petit of the Wisconsin National has closed his Oconomowoc summer home and returned to the city with his family.

Celebrates Fortieth Anniversary

Herman F. Wolf, second vice-president and cashier of the Wisconsin National, celebrated his fortieth year in the banking business last week. He began his career at the age of fifteen years as a messenger for the old Hough-

ton bank and at the time of the consolidation of the Wisconsin National and Houghton banks, became assistant cashier.

Fire Restores Faith in Bank

Some bank in Milwaukee will be one savings account better off following a fire which destroyed the house furnishings of one Mrs. S. Jetowski, living on the north side, together with \$65 in notes which she had secreted in a mattress. Mrs. Jetowski, who long entertained a fear of the security of banks, is now their ardent champion.

Group 5 to Meet at Fort Atkinson

Group 5, W. B. A., the last group to hold its annual meeting, will convene at Fort Atkinson on October 25th. The group comprises 125 banks in the southeastern part of the state. All other groups met previous to the state convention in July.

Start Winter Campaign

The winter campaign of the W. B. A. in the interest of better crops began this week with the mailing of copies of the proceedings of the recent interstate crop improvement meeting in Minneapolis to each of the members, and a letter asking their opinions on the practicability of state employed agricultural experts, agricultural instruction in district schools and agricultural courses in connection with the county teachers' training schools.

New Wisconsin Banks

Commissioner of Banking A. E. Kuolt has authorized the incorporation of the Farmers



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

111 Broadway
New York

88 PEARL STREET, BOSTON

405 Dorchester St., W.
Montreal

Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Exchange Bank of Thorp and the State Bank of Emerald. The first has a capital of \$15,000. Incorporators are Herman Freiss, George Burke, and T. O. Mosher. The Emerald bank is capitalized at \$10,000, with the following officers: President, P. B. Dunbar; vice-president, Alex Fleming, and cashier, W. S. Fleming.

Wisconsin Notes of Interest

The First Slovak National Loan and Building Association has been incorporated at Cudahy by Martin Libs, Matej Okrajek, and Jan Bzdusek.

The Racine Gas Light Company is reported to be negotiating for the purchase of the Kenosha Electric Light Company and the Kenosha Street Railway Company.

Tobacco growers of the state are paying \$4 a day for unskilled labor in an attempt to harvest this year's record crop before it is damaged by fall rains.

INVITATIONS TO INDIANA CONVENTION

Invitations to the sixteenth annual convention of the Indiana Bankers Association are beautifully engraved and bear an embossed Indian head and monogram of the Hoosier association.

FINDS BUMPER CROPS IN SOUTHWEST

B. L. Winchell, president of the Frisco Railway System, who recently has returned from a trip through the Southwest, says that crops in that section are better this year than ever before; that business conditions are good and people are feeling very optimistic as to the future.

OSCAR G. FOREMAN ON A VACATION

Oscar G. Foreman, vice-president of Foreman Brothers Banking Company, Chicago, is out of the city on a vacation.

CLEVELAND BANK MERGER DENIED

Cleveland.—The rumor of a projected merger in this city of three banks, the National City, the Cleveland National and a third—supposed to be the National Commercial Bank—is officially denied by F. W. Wardwell, president of the Cleveland National. The three banks mentioned have a total capital, surplus, and undivided profits of \$3,700,000, and if combined would constitute the second largest bank in Cleveland.

The dominating interests in the reported merger are the Hanna interests, which have lately become prominent in the affairs of the National City Bank. Dan R. Hanna, it is known, expects to become active in banking as well as in iron and steel soon, and is planning the establishment in the new Leader building of a bank of the first magnitude in this city.

SYCAMORE BANK SOLD

Pierce Trust and Savings Bank of Sycamore, Ill., established in 1867, has been sold by Frederick B. Townsend to George E. Dutton. Mr. Dutton also holds the controlling interest in the Citizens State Bank of Tracy, Minn.

GEORGIA BANK ADDS TO CAPITAL

Under an authorization made by the stockholders some time ago, the capital stock of the Citizens and Southern Bank, Savannah Ga., has been increased from \$700,000 to \$1,000,000. The surplus account was also increased to \$1,000,000 by transferring \$300,000 from the undivided profits to the surplus account. The increase of the capital stock was made by the stockholders paying in \$100 on each share held by them. This entitled them to three-sevenths of a share additional for each share previously held. This increase of capital stock and surplus puts the Citizens and Southern in the \$2,000,000 column of banking institutions. Reports have been submitted showing that the total resources of the bank are over \$10,500,000.

UNIVERSITY OF ILLINOIS BRANCHING OUT

As a result of the appropriation of increased funds granted by the last legislature, the University of Illinois has been enabled to open the present year with better facilities in building and equipment than ever before. There has just been completed a new engineering building for the railway administration department, which, in connection with the locomotive testing laboratory now in process of construction, and the building for the mining course and for the course in ceramic engineering, forms a very substantial addition to the facilities of the university for the highest kind of work. It also has been possible to provide a better building for the commerce courses and to take care of the ever increasing number of students in the agricultural department. President James says that much interest is being manifested in this department, also in the commerce courses. He predicts that the time will come when anyone entering upon a career in banking, accounting, insurance, etc., will not do so without first taking advantage of the facilities for preparation afforded by the universities.

"HOW TO SAVE"

Harris Trust and Savings Bank of this city has prepared a household expense account book, designed to enable anyone to save enough out of what ordinarily is wasted in daily household expenses to maintain a liberal savings account. Copies may be had upon personal application at the bank.

BANK INCREASES CAPITAL

At a meeting of the directors of the Nevada County Bank, Nevada City, it was voted to increase the capital stock from \$135,000 to \$150,000. The bank was organized in 1900 with a capital stock of \$50,000, which was increased in 1907 to \$100,000 and in 1911 to \$135,000. The present increase gives the bank a capital and profit account of \$155,000. It has deposits of over \$1,050,000.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, October 10th.—Local bankers characterize the demand for money during the past week or ten days as extremely healthy. Increased activity in all lines of business was noted, and commercial requirements now are broader than at any like time in more than a decade. There has been no falling off in offerings of commercial paper, and purchases of this class of collateral by St. Louis banks has been fairly heavy. The rates offered make the bills tempting, especially as they include excellent names. Probably the most notable feature of the week was the first signs of returning money from the Southwest. The extreme south end of Texas has started to send back funds, and the volume for this early date is surprisingly heavy. It had not been believed that the return flow would materialize before the twentieth at the earliest. Another feature was the heavy borrowing by Arkansas and Oklahoma for moving cotton and other crops. This demand, coupled with the routine commercial requirements, has kept all available funds in motion, and indications now are that there will be no let-up in the demand for some weeks to come. Certain optimistic financiers are of the opinion that the present pace will continue well into the winter. The early marketing of crops, especially cereals, will place the country in a position to purchase commodities, which buying will be reflected in the manufacturing industry, wholesale trade and railroad earnings. Receipts of grain at St. Louis this season are more than double those of the corresponding period last year, or in fact for many seasons past. As far as can be ascertained from wholesale and jobbing houses in the Washington Avenue district, politics has failed to affect business in the least. Buyers are still numerous, and their bills denote firm belief in an enormous late fall and winter trade. The recent spell of warm weather came as the final benefit in an agriculturally good year. It has enabled farmers to clean up the last bits of their 1912 operations, and make extensive preparations for the 1913 crop, besides placing pastures in excellent shape, and staving off feeding of stock for a goodly period. Business with local banks and trust companies, especially counter transactions, were stimulated by the fall festivities. Clearings have been holding up in splendid shape, and discount rates hold firm in the range between 5½ and 6 per cent.

McCluney Congratulated

John H. McCluney, president of the State National and dean of the St. Louis banking fraternity, was the recipient of numerous congratulations on his seventy-second birthday

last week. Besides congratulations, he received sundry large bouquets of roses, which made the bank smell like a florist's shop. Mr. McCluney has been connected with the State National in various capacities for more than fifty-five years. He is more active than many men twenty-five years his junior, and rarely misses a day from his desk and duties. His only rival in point of length of service in local financial circles is William H. Thomson, vice-president of the Boatmens Bank, who has served with his institution eight months longer than has Mr. McCluney.

Koehler Fortune Large

An inventory of the personal estate of Henry Koehler, the St. Louis banker and brewer, who died in July, was filed for probate this week, and shows a personal estate of nearly \$3,000,000. Much of the estate consists in shares of banks and trust companies in St. Louis and the Southwest, and practically all of the estate is in securities of corporations in which Mr. Koehler was actively interested. The largest item is securities in the St. Louis, Rocky Mountain and Pacific, which are valued at \$1,383,400.

Central Suspends Dividends

Stockholders of the Central National have been advised by H. P. Hilliard, president of the institution, that the directory has ordered a suspension of dividends until the bank's surplus has been increased to twenty per cent of its capital stock, or \$200,000. This action was taken so that the bank may participate in the privileges of the currency association of the local financial institutions, as provided by the recent act of congress. The Central National is the only large national here which does not now fulfill this requirement. According to the September statement, it has a capital of \$1,000,000, and surplus of \$87,894. Mr. Hilliard says the surplus now is about \$100,000. The bank has been paying dividends at the rate

of 5 per cent yearly, and its business is in excellent shape, and shows steady increase. Stockholders seem for the most part well satisfied with the temporary suspension, and there has been little change in the current value of the shares as a result of it.

Houston Oil Company

The Houston Oil Company, which is largely owned by St. Louis capitalists, and was recently reorganized by Edwards Whitaker, president of the Boatmens Bank, Colonel S. W. Fordyce, D. S. H. Smith and other local financiers, have begun drilling for oil on its lands in Tyler county, Texas, and operations will soon start at Saratoga, Texas. The company owns 800,000 acres of timber land in Texas and Louisiana, and 191,000 acres of oil land in Hardin county, Texas. The oil properties were recently surveyed, and it is believed by those interested that strikes will be made within the next few weeks.

Kentucky Hospitality

The St. Louis delegation to the Kentucky Bankers Association convention at Louisville returned with glowing accounts of their visit and praising the genuine old southern brand of hospitality which greeted them. The members were entertained by C. H. Wulkop, vice-president of the Stock Yards Bank of Louisville, and "Grand Dad" Watham, who is known by a majority of the bankers of the Southwest. Both of these gentlemen were on the entertainment committee, and were assigned to look after the St. Louisans. R. S. Hawes, vice-president of the Third National and C. R. Merrell and George R. Baker of the National Bank of Commerce, headed the local delegation.

Fremont Bank Chartered

A charter was issued this week by Bank Commissioner Swanger to the Fremont State Bank at Fremont, Mo. It has a capital stock of \$10,000 and the stockholders are George Ellis, J. M. Morrow, C. C. Ellis, J. W. Ledbetter and J. W. Ellis. The new bank will begin operations some time next month.

Bush Sees Prosperity

B. F. Bush, president of the Missouri Pacific, who has just returned from the East, predicts a year of unprecedented activity in the region served by his railroad system, and for the entire Southwest. "I never knew," said Mr. Bush, "a presidential year when politics had a less disturbing effect upon business than has been the case this year. The tremendous crops and prospects of large exportations of the surplus to foreign countries, where there is a good market, owing to the

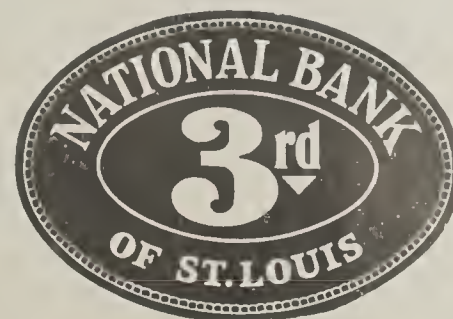
ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

The Lakeside Press**R. R. Donnelley & Sons
Company****Printers, Engravers, Binders**

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**Corner Plymouth Place and Polk Street
CHICAGO, ILL.****Capital
\$2,000,000****Surplus
\$2,000,000****Deposits, \$35,000,000****Officers****C. H. HUTTIG, President****F. O. WATTS, Vice-Pres.****J. R. COOKE, Cashier****T. WRIGHT, Vice-Pres.****D'A. P. COOKE, Asst. Cash.****R. S. HAWES, Vice-Pres.****H. HALL, Asst. Cash.****G. W. GALBREATH, Vice-Pres.****E. C. STUART, Asst. Cash.**

shortage abroad, have offset all retarding influences and I believe there is a year of excellent business ahead." Under Mr. Bush's management the Missouri Pacific continues to show increased earnings, and though there is still a vast amount of rehabilitation to be done, the outlook for patrons of the system, also stockholders thereof, is better than in many years.

New Brokerage Firm Started

Jay Herndon Smith, an authority on Middle and Southwest financing, and Charles Moore, vice-president and secretary respectively of the A. G. Edwards and Sons Brokerage Company, have retired from that concern and will open offices under the name of Smith and Moore on January 1st. Considerable surprise was caused by the announcement, especially with regard to Mr. Smith, who has been with Edwards for the past twelve years in charge of their bond department. According to B. F. Edwards, president of the National Bank of Commerce and a director of the Edwards firm, no changes will be made in the official staff of the brokerage house at present. The remaining officers are George L. Edwards, president; Harry F. Knight, vice-president, and W. A.

Bankers on Trial

Considerable interest here and in financial circles throughout the Southwest centers in the trial at Memphis, Tenn., of five bank presidents, charged with fraudulent use of the mails. A special term of the United States district court will conduct the trials. The defendants are officials and directors of the defunct All Night and Day Bank. Their cases are consolidated pleas of not guilty. The All Night and Day Bank of Memphis was one of a chain of institutions founded by a group of Oklahoma promoters, who had planned a gigantic chain of banks throughout the Southwest. If their plans had gone through, a central trust company, with \$10,000,000 capital, was to have been started in Indianapolis and fed by the banks controlled by the promoters.

THE SPELL OF FRANCE

From L. C. Page & Co., Boston, comes another of those brilliantly enticing books on travel topics. It is by Caroline Atwater Mason, who wrote "The Spell of Italy," and this time her title is "The Spell of France," with illustrations from special photographs. The

cover is in green and gold, showing an embossed castle of France in outline. The effect is beautiful. Miss Mason has written similarly titled books on Holland and England and of her experiences in France says: "I have traveled in the north of France and through its central plains; there I have found fine coast lines, fertile fields, fair cities, ancient monuments, architectural glories;—endless things, indeed, to awaken admiration and stimulate interest in a high degree. But until I journeyed through the Midi I failed to find that France had power to cast a spell upon my mind. Among the mountains and rivers of Old France; among the mighty remains of an earlier civilization; among its legend-haunted castles, churches and abbeys; among fields of olive and vine, and the roses and nightingales of Provence; among the green pastures and sweet waters of the Pyrenees; under the palms and pines and orange groves, the sky and air of the Mediterranean shore, the spell was laid upon me."

There are more than fifty full-page illustrations, many of them in color. The text is clear and combines history, legend and observation in an informing way, told in a spirit which entrances and holds the reader spellbound.

The volume is \$2.50 net, of all book stores.

TWO VERY INTERESTING BOOKS

The Alps have been done in crayon, oil and story, and, if you please, in verse. It has remained for J. W. McSpadden, the author of "Famous Painters of America," to evolve "The Alps as Seen by the Poets." The finest collection of pictures from the pens of poets and the brushes of painters ever published has been gathered into this volume in celebration of the glories of Alpine scenery. The poems are by such masters of descriptive writing in metrical form as Byron, Schiller, Wordsworth, Shelley, Tennyson, Longfellow, Bryant, and other traveler-poets who have given expression in their lines to the universal appeal made by mountain

heights, in all ages of the world, to man. There is no question that these poetic excursions, with their calls to come and enjoy various peaks or valleys, rivers or lakes, woods or wild flowers, convey to the reader a more vivid and lasting impression of the wonders of the Alps than can be secured from any other source. Accompanying the poems, of which there are 125 in all, and illustrating the scenes described, are some of the best color pictures, reproductions of the work of leading landscape painters, that have as yet appeared in a book of this nature. By the editor's excellent arrangement, the work of both poets and painters has been so combined as to make of this attractive volume a most artistic whole. It will prove a choice gift-book for travelers and for all lovers of beautiful books. Published by Thomas D. Crowell Company, New York.

Another remarkable book is "Fairs and Fetes," by Caroline French Benton, author of "A Little Cook Book for a Little Girl," "Margaret's Saturday Mornings," "Living on a Little," "Easy Entertaining," etc. The old-fashioned fair is a thing of the past. It is no longer worth while to put a row of tables around a large bare room, pile some of them with crocheted afghans and sofa pillows, and others with cut flowers or candy, and then expect a crowd to come in and buy. Such a plan may have succeeded with our unsophisticated forebears, but to-day the public wants its medicine doubly sugar-coated. If men and women—especially men—are to attend a fair at all, they must be offered some inducement beyond the mere suggestion that by doing so they are aiding a worthy cause with presence and money.

One of the things that every woman knows who has engaged in raising money for a hospital, a church, an asylum or any other institution which has a treasury perennially depleted, is that nothing is as effectual in bringing in money as some sort of fair or bazaar, provided it is unique and well advertised. To inform the public by means of huge picture posters, well drawn and colored, that on a certain day something quite novel and delightful is to happen, and then to leave them guessing as to exactly what that is, is to insure their presence at the appointed time and place; then if they are amused and interested their pocketbooks will open as if by magic; and presto! there is the needed money. Published by Dana Estes & Co., Boston.

**American National Bank
Louisville, Ky.****Capital and Surplus, \$1,000,000**LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.**Unsurpassed Excellence of Service for Collections**

Editorial Comment

REWRITING THE A. B. A. CONSTITUTION

A wave of reform, which had its origin in part at the Briarcliff meeting of the A. B. A. executive council last spring, resulted in the adoption of a resolution at the Detroit convention in September authorizing the appointment of a committee to rewrite the constitution of that organization. So rapidly has the American Bankers Association grown in size and importance that it has been a difficult matter to enlarge skillfully that somewhat primitive document to be in keeping with up-to-date requirements. That abuses have crept into the organization under the ambiguous authority of the constitution is admitted by everyone. A very sensitive topic is that of expense accounts for members of committees and members of council attending special sessions or the mid-year meeting. The machinery of the constitution had not provided any check on the size of these accounts nor upon the frequency with which they might be rendered. These essentials depended entirely upon the conscience, or lack of it, of the individual. Frequent attempts have been made to charge the excesses up to Col. Farnsworth, who in reality does not have the power to negative an account submitted by a member nor to refrain from signing a check prepared by any of the auxiliary secretaries acting for the sections. This is putting it rather plainly, but the whole of it is a business question and not one of social prerogative.

The committee appointed at Detroit by the convention, and which will be supported loyally by the administrative committee, is a very able one. It is headed by Robert E. James of Pennsylvania, who is a lawyer of ability, experienced in legislative matters and a skilled parliamentarian. Associated with him are Charles H. McNider of Iowa, who already has distinguished himself by bringing about a number of notable reforms through amendments to the constitution, and Ex-Governor Bailey of Kansas. Other members of the committee are equally well known and deserving of the confidence of every member of the association.

That the members of the Big Council are not averse to having their expense accounts trimmed or abolished is shown by the following letter addressed to THE CHICAGO BANKER by N. E. Franklin of South Dakota.

I have taken up the matter with the committee on revision of by-laws of the American Bankers Association, the question of eliminating from the new constitution, any reference to payment of expenses to the spring meeting of members of the executive council. I find that in the smaller communities there is a great deal of comment and dissatisfaction among members, because of this immense expenditure each year. I believe that any banker, so honored by his state association as to select him as their representative in the council, that he should be willing to pay a small

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

financial tribute for the cause of better banking. I am sure it will send to the council meetings the best material to be selected, and men who will attend these meetings for business and not for pleasure. Your journal is such an ardent supporter of the association that I am taking the liberty of submitting this matter to you, and hope that if you concur, you will lend the aid of your publication.

Should Mr. Franklin's suggestion prevail, and there is a good chance that it will, the position of member of council for the American Bankers Association will become more of an honorary one than heretofore. It has been the custom of banks for many years to allow expenses for officials who are fortunate enough to secure substantial recognition from either the state or national organizations. It is a legitimate charge for any bank to make which is looking for balances from other institutions. The opportunities which a member of council has to make influential acquaintances are worth many times more than the expense account to the employing bank. The columns of THE CHICAGO BANKER are open to any member of council who will have anything to say over his signature on this important subject. We are informed that members of the committee appointed to rewrite the constitution "will be glad to hear from members of council and members of the association at large." The whole matter likely will be taken up at a meeting to be called, probably at St. Louis or some other central point, where the committee can get down to hard work. This committee meeting is expected to occur in advance of the council meeting, which will be held in May, probably at the Virginia Hot Springs. Those who have suggestions to make can make them direct to members of the committee or through the columns of THE CHICAGO BANKER. As it now stands, members of council will no longer be burdened with the selection "of the future president of the association" in electing its chairman. Next year the nominating com-

mittee will name candidates for president and vice-president and it isn't likely that hereafter the ex-chairman of council will have any precedent in his favor.

IMPRACTICAL EDUCATION OF YOUNG MEN

The grave educational question which the bankers of the country, under leadership of Joseph Chapman, have been discussing at all their meetings has been settled in part in Germany. In England it is thought that the education of young men is more deficient than it is even in America. The British youth has been much chastised recently and his chief critics are of his own household. A writer in the editorial page of the Daily Mail has scari-fied the public schools and universities. "Swank" and snobbishness were declared to be the distinguishing characteristics of both. A much discussed article in an English review added preparatory schools to the list and carefully demonstrated how all three combined to turn out a nice fellow who had learned nothing useful and unless he found himself quickly after his university career was only fit to become a remittance man abroad or a country house loafer at home. The Duke of Argyle, who is an Etonian and a Trinity College (Cambridge) man, now joins the critics. The duke points out that in foreign universities, such as Berlin and Paris, men assemble for real study in stern preparation for the hard work of life. We are not so badly off as that in America but the stirring up by bankers and business men will improve the schools, the teachers and the graduate output.

GROUNDLESS FEARS IN ILLINOIS

(From Commercial West.)

The Illinois Bankers Association again let its fears get the upperhand and prevented any action at the annual convention last week on the important matter of bringing all banks of the state under supervision. The private bankers seem to be afraid of supervision, and the managers of corporate banks are fearful of losing some business if they force the issue, and as a result nothing is done.

All these fears are entirely groundless, as the bankers of many neighboring states can testify. Both Wisconsin and Minnesota went through the same sweating process and had goose-flesh for years whenever the subject came up for debate. But when strong leadership came to the front and put through proper legislation making all deposit banks corporations under either state or national supervision, it was all very simple and easy and no one was hurt. The erstwhile private bankers who had shied at supervision prospered more than ever before, being helped to avoid heavy losses through the assistance of bank examiners; the big banks of the reserve cities increased their

Convention Dates

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



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business immensely and the public was protected from the disaster of bank failures.

If Illinois will only "screw its courage up to the sticking point" and go ahead and do what everyone knows and admits should be done, she will be a gainer in every way and will wonder why she listened to her fears so long. Then she will be calling over to Iowa in the language of the urchin in swimming, "Come on in, boys, the water's fine."

It is worth while to get rid of this bone of contention in the interest of a closer co-operation among the banks of the state, if there were no other reasons. But when so many states have demonstrated that there is so much to gain and nothing to lose by supervision, Illinois should no longer hesitate.

INVISIBLE GOVERNMENT

When Roosevelt speaks about invisible government he probably means the representatives of predatory interests who have financed his campaigns so liberally. In the platform of the Bull Moose party will be found a plank which advocates the creation of a commission whose purpose it shall be to exercise supervision and control over corporations engaged in interstate commerce, or such of them as are of public importance. By this method the government would exercise a tremendous influence over the business interests of the country. All a president would have to do would be to place the head of this commission as chairman of his national committee. The result is perfectly obvious. No requests for campaign contributions would be necessary. The large corporations would appreciate the situation at once; they would recognize wherein their interests lay, and probably would respond generously without any requests or promises being made. It may be that this is what the Colonel has in mind when he speaks of "invisible government."

BANKERS' REUNION

Cards of invitation are out for the reunion of representatives of banks in the larger cities, known as the "Flying Squadron," for dinner at the Columbia Club, Indianapolis, next Wednesday evening at six o'clock. G. H. Mueller, vice-president of the Fletcher-American National of that city, is the host. Those fortunate enough to be included in the list will be sure to have a good time.

GROUP 5, WISCONSIN

Members of Group 5, Wisconsin Bankers Association, will hold their seventh annual meeting at Fort Atkinson, October 23d. A splendid program has been provided for the occasion. President S. M. Smith, cashier of the Merchants and Savings Bank, Janesville, will preside and will be assisted by H. A. Mochlenpah, of Clinton. The local committee on arrangements is headed by R. D. Chase. Visitors are requested to inform Mr. Chase by post card of their intended arrival. The sessions will be held in the Masonic Lodge rooms. Ex-Governor W. D. Hoard, the father of the dairy interests in Wisconsin and one of the leading writers and agriculturists of the country, who resides at Fort Atkinson, will welcome the delegates and visitors. Prof. Scott, of the University of Wisconsin, will speak. The remainder of the program is made up of timely topics and responses by leading Wisconsin bankers.

A BANKER-POSTMASTER IN TOWN

T. A. Fritchey, director in the Olney (Ill.) Trust and Banking Company, was a visitor in the financial district this week. Mr. Fritchey is vice-president of the bank and is postmaster at Olney.

TRUST COMPANIES OPERATING IN ILLINOIS

On September 5, 1912, there were seventy-one trust companies in Illinois authorized to accept and execute trusts by reason of having made the required deposit with the auditor of public accounts. Of this number, twenty-two are in Chicago, several of which institutions have on deposit a half million, viz.: Central

Trust Company of Illinois, Chicago Title and Trust Company, Continental and Commercial Trust and Savings Bank, First Trust and Savings, Illinois Trust and Savings, State Bank, Merchants Loan and Trust, Northern Trust and Union Trust. In addition, there are several trust companies of other states operating in Illinois, the deposits in each case being \$50,000. Among the more important are the Old Colony Trust of Boston, Bankers Trust, Central Trust, Guaranty Trust, and Knickerbocker Trust companies of New York, and Mercantile Trust and Union Trust companies of St. Louis.

BANKS INCREASE CAPITAL STOCK

As an indication that banking in Illinois is profitable, it may be stated that twenty-one state banks increased their capital stock from December 6, 1911, to September 5, 1912, five of which were Chicago institutions, viz.: First Trust and Savings, from \$2,500,000 to \$5,000,000, January 16th; West Side Trust and Savings, from \$200,000 to \$400,000, January 23d; Central Trust Company of Illinois, from \$2,000,000 to \$2,500,000, December 15, 1911; from \$2,500,000 to \$3,500,000, January 27th, and from \$3,500,000 to \$4,500,000, May 4th. Austin State Bank, from \$50,000 to \$100,000, August 30th, and Peoples Stockyards State, from \$300,000 to \$500,000, August 31st. It will be noticed that the Central Trust Company of Illinois increased its capital stock three times, which was brought about by the absorption of other banks.

KANSAS GROUP MEETINGS

Two changes have been made in the Kansas group meetings as previously announced. Group 4 and 2 have exchanged dates, making the revised list stand: Wednesday, November 20th, Group 2, Lawrence; Thursday, November 21st, Group 1, Kansas City, Kan.; and Friday, November 22d, Group 4, Beloit. The first three meetings remain unchanged, Group 5 meeting at Great Bend on Wednesday, November 13th; Group 6 at Harper, Thursday, November 14th; and Group 3 at Chanute, Friday, November 15th.

STATEMENTS OF ILLINOIS STATE BANKS

On September 5, 1912, the combined capital stock of Illinois state banks amounted to \$74,399,300, an increase of \$1,860,000 from June 15th; combined surplus amounted to \$36,375,031.78, an increase of \$511,847.85; undivided profits were \$14,680,240.65, an increase of \$452,697.73, and total deposits amounted to \$694,833,024.53, an increase of \$4,285,851.19.



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C. R. LAWS	Assistant Cashier

Agriculture and the Problems of American Rural Life

PART III

I venture now to assert the importance to the country at large of such a reform in our ideals of living as will bring us to a more rational simple life. American life has been characterized by prodigality and wasteful extravagance. An intelligent manager of a first class hotel in the largest city of Ohio recently said to me that there was not an economically managed hotel in the state. He further declared that the waste and extravagance characteristic of our hotels was a menace to their successful operation. It might be added that we have not reached the point of the economic use of foods. Intelligent persons say that the French people are able to utilize all food stuffs in a much better way than Americans. Besides, it is an obvious fact that very many people have not discriminated between extravagance, wasteful living and the best type of living. The prosperity of the country is not enhanced by extravagant methods either in business or in living. Such methods make no contribution to sane living, to wholesome social life, or to financial soundness. Both city and country alike have failed to appreciate the importance of a well ordered and systematic use of food. The present methods tend to the enslavement of women, to an increased labor, to a high cost, and these constitute sources of irritation and of discontent. They practically destroy the social element in family life. Nothing is more destructive of real social life than the modern formal dinner, to say nothing of its extravagance and its waste of human life. On the other hand, the unsanitary and poorly prepared food found on many farmers' tables prohibits good fellowship, and becomes a practical bar to social intercourse. The teaching of domestic science in our public schools and our colleges has to do with something more than mere cooking of foods. It must attempt the solution of larger problems involved in the economics of the home, the conservation of the woman's life, and the improvement of the social condition of the family. If we are to increase our annual production simply to maintain American extravagance and wastefulness in one circle, while continuing the unsatisfactory conditions in others, we shall make very little progress in improving the conditions of rural life. It is a false economy, as well as a false philosophy, for the producer of our food products to fail to utilize in a satisfactory way the largest proportions of the earth's bounty. We must go to the root of this matter by the process of education and such an adjustment as will make the American farm home provide a table that will maintain a family not only in good health but in a state of efficiency as producers.

What now are the remedies in operation and proposed for the betterment of agriculture and rural life?

Educational Agencies

The fundamental beginnings in this movement were in the foundation of the colleges of agriculture and mechanic arts. Back of these colleges was an aroused public sentiment in favor of the teaching of agriculture based upon the doctrine that the conservation of soil fertility, the improvement of agricultural methods, and the improvement of live stock, were fundamental in maintaining the prosperity of the American farmers. There was a divided sentiment whether agriculture could be taught or whether there was a

science underlying agriculture. We have long believed in a science of chemistry but have not put the principles of chemistry into application upon problems of soil and fertilization.

We had long had a science of physics, but the science of soil physics was an unknown quantity. Botany and zoölogy had never been developed as a science related to the field and the orchard. Accordingly the colleges of agriculture addressed themselves to the problems of applied science. They soon discovered the undeveloped condition of agricultural science and the fact that there was no textbook on this subject. The logical situation demanded an experiment station in order that there might be a great body of knowledge, of experience, and of science that could be taught. The college, therefore, undertook to teach the science that the experiment station had developed. The influences of these colleges for a generation was to develop not only an amount of education in these topics, but to stimulate farmers' institutes, farmers' granges, and other agricultural enterprises to the teaching of an improved agriculture. During these years the agricultural press, heartily in sympathy with improved agriculture, lent its powerful aid to the agricultural colleges and experiment stations and to the intelligent reading farmers as a means of spreading broadcast the results of agricultural science as discovered and taught. The importance of this great movement has never yet been fully measured. Leaving out of consideration the influences of these colleges upon industries and industrial education, it is within the bounds of propriety to say that they aroused the country and greatly stimulated the movement to carry into the public schools an interest in applied science and household economics. The conditions now in the country reveal a wide-spread need of bringing into the public schools some form of industrial and vocational training. Practically every city in the country has not only developed manual training, industrial and trade schools, but domestic science and in some states the teaching of agriculture has been extended to all public schools. The one purpose of all these enterprises is to stimulate public interest, to educate the boy and girl in sympathy with the practical every-day life of the multitude. The latest development has been the work of agricultural extension as carried on through the agricultural colleges. In Ohio, for example, we have been engaged in this work for nearly ten years. In a single year we are able, through the state appropriation, to conduct as many as seventy-five extension schools in as many different counties. During these years, we have developed interest in boys' clubs, in girls' clubs devoted to the beautifying of the home, and the introduction of agriculture in many schools. Recently a law making the teaching of agriculture compulsory has brought the subject into all our public schools. For fifty years we have been bringing the children to school. Now we are carrying the school back to the parents at home and bring-

President W. O. Thompson, of the Ohio University, at the Peoria convention read a paper of such great value that it will be printed in full in the *Chicago Banker*, but owing to space restrictions will be divided into three parts. Following is part three

ing to them the elementary and important instruction in the science of the farm and the home. This work as carried on in a number of states has brought new methods of production in those crops so closely related to the welfare and prosperity of the community.

Demonstration Work and the House Extension Bill

Portions of the year are given in all these places to demonstrations, to spraying in orchards, to selecting crops in the fields, so that in many communities the actual experiments as worked out in the experiment station have been carried to the distant communities of the state. In the South this has taken the form of specific treatment for such evils as boll-weevil and for the general development of a diversified farming. So successful have these experiments been and so important have been the results reached by the federal government, that the colleges of agriculture have urged for a series of years that the federal government co-operate with the states through agricultural colleges in the extension of agricultural teaching, demonstration and agricultural extension. A bill known as the Lever Bill as passed by the lower house of congress awaits the consideration of the senate next December. This bill makes provision for the teaching of agriculture in the communities away from the colleges, for demonstration in selected communities and for such methods of improved agriculture as may be suitable to the several states. The state appropriations have usually had a wider scope, permitting the teaching of household economics to the farmers' wives. If in response to urgent public sentiment the United States senate should pass this bill, there would be a great revival in every state in the union in the extension of agriculture, both in teaching and demonstration.

Voluntary Agencies

Experience shows that the land grant act in making federal appropriations greatly stimulated the states in their appropriations for the same purpose. The Lever Bill puts that principle into the statute and provides as a condition of receiving federal aid that the several states shall make definite appropriations for this work and organize a division of extension that shall accomplish this desired result. It is the earnest desire that commercial and financial organizations over the country shall co-operate with the colleges of agriculture in securing the passage of this bill through the senate. In addition to this governmental agency a number of volunteer agencies have sprung up having similar purposes. These voluntary agencies have grown out of a conviction on the part of public spirited, progressive citizens that the only way to avoid disaster is to arouse the farmer and secure his co-operation in putting into effect improved methods of agriculture as taught and demonstrated in the colleges and experiment stations. It is a happy situation that the interest in these movements is not confined to farmers, but finds its keenest expression in commercial and financial organizations such as the one represented in this bankers association. It will be a happier day when the active co-operation of all the farmers shall be secured and when the most progressive, intelligent farmers of the country have enthusiastically enlisted. Patriotic citizens everywhere see that agriculture must be redeemed from primitive methods and that an apprecia-



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tion of our agricultural resources must be developed.

Meaning of Conservation

The doctrine of the conservation of our resources means not that they shall be kept intact but they shall be developed and used from year to year in such a way as to keep our agricultural resources undiminished. We have reached a common agreement that no generation has a moral right to waste and deplete its patrimony, the land. It is God's bounty for the race for all time and must be kept in a high state of productiveness and handed on to the next generation, unimpaired in its ability to meet the needs of the people.

Conclusion

This whole problem as you see is one of education. I do not mean education in the school sense merely, but education in the broader sense of reaching the people and in developing in them an appreciation of our resources and of the patriotic sentiment that men are to live not simply for themselves, but for the public welfare. We are not engaged, therefore, in any war upon existing educational methods, but in a great movement that shall broaden the field of education, widen the interest in its work, strengthen the foundations upon which our national life and prosperity are built. Ultimately it must mean better classes of producers. There could be no such thing as an efficient agriculture apart from a highly developed agriculturist. For the farmer to engage in the business of producing pure-bred live stock means that if he succeeds in developing a high type of horses, cattle, swine or sheep he must at the same time develop a high class citizen, who is better than any products of his labor.

From another point of view, therefore, the problem is not material or financial but one of character. The quality of the American farmer must be such as to insure the quality of the farm and eventually its own fertility. The most disastrous results that could come to American rural life would be to have our farms occupied by a peasantry provincial in character, taste and living. The American spirit as expressed in our forms of government, in our educational institutions, represent the development of representative American character, on the farm, as truly as in the bank, in the mercantile establishment, in the great manufacturing enterprises, or in our great transportation systems.

The American democracy therefore will not endure a stratification of society which permits us to assume either intellectual, social or religious superiority of the city as against the open country. We recognize American agriculture as the basic industry of our people. Its economic soundness is a guarantee of the welfare of all our commercial enterprises. The whole people therefore are interested in developing such conditions in rural life as will make it possible for the independent American farmer not only to maintain his own self respect but to command the respect and confidence of all men engaged in other industries.

This is a field in which American patriotism may express itself without limitation. The problems of agriculture and rural life are larger than any political issues. It seems, therefore, the evident duty of American democracy to urge upon its legislative bodies, both state and national, such consideration of all her industries, including agriculture, as shall insure a profitable industry for all peo-

ple, a high standard of social life, and a maintenance of national efficiency. It is in consideration of such a prospect that we begin to realize the sweep of Lincoln's conception of a government of the people, for the people and by the people. It is our cherished belief, not that the people exist for the glory of the government, but that the government is instituted to establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

INCREASED DEMAND FOR GOVERNMENT BONDS

C. F. Childs & Co. of this city report that in view of the scarcity of all government issues, due to the demands of newly organized national banks for charter purposes and the steady increase in circulation, bonds now may be purchased with a view to a profitable turn. Old 3's and 4's have been particularly favored and are being substituted in many cases for 2's by investment holders. The 2's thus released readily are being absorbed under the increasing demand. The opinion is given that notwithstanding published statements to the contrary there is a shortage of bonds in the dealers' hands. An advance in prices confidently is expected.

F. H. RAWSON RETURNS TO CITY

F. H. Rawson, president of the Union Trust Company of Chicago, has returned to the city from a trip to South Dakota. Mr. Rawson reports very prosperous conditions in that section of the country.

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

That recent enthusiastic statements regarding business activity in the Central West were entirely justified has been shown by the statements of state banks in Nebraska, Kansas, Oklahoma and Texas that were given to the public last week by the various state banking departments. The report of the bank commissioner of Nebraska is the most flattering ever issued by that official. In three months, ending September 2d, the deposits of the state banks in Nebraska increased nearly \$3,000,000, and are now \$85,696,151, the highest ever reached. This is an increase of \$10,000,000 in one year. There has been no real failure of a state bank in Nebraska in the past eight years. The number of state banks in Nebraska is 685 and the average reserve is 29¾ per cent.

Kansas State Bank Deposits High

For the second time in two years the deposits in the Kansas state banks have jumped over the \$100,000,000 mark—an increase of 7½ million dollars in three months. The Kansas statement is for the year ending September 11th and shows 902 state banks in business with \$106,049,142 on deposit. The Kansas state banks have strengthened their reserve 1½ points since last June, now having a cash reserve of 33.7 per cent. Acting Bank Commissioner S. A. Wardell, of the Kansas department, comments upon the showing thus: "Very decided advance has been made along the lines that tend to make the bank situation stronger. Deposits will continue to increase materially for the next few months. A large part of the wheat crop is still in the elevator and farmers' hands, and a very good corn crop is yet to be realized upon. Kansas business conditions are flattering in all lines, with excellent fall and winter trade assured to the merchants. This promises to be a season of marked liquidation, as shown by the substantial decrease of 12½ per cent in rediscounts and borrowed money, and it is believed that the greater per cent of the proceeds from the sale of the 1912 crop will be applied to the payment of existing indebtedness."

Increase in Oklahoma Deposits

Individual deposits in Oklahoma state banks increased \$2,117,368 between June 14th, the date of the previous call, and September 4th, the date on which the last call for statements was made. During the same period, loans increased only about \$300,000, according to the report of Bank Commissioner Lankford. In June, 623 state banks reported, and, at the last call, 621 banks responded. The total capital of the Oklahoma state banks is \$9,947,250. Local bank clearings in Oklahoma City for the week ending October 4th, were the largest

since February, 1911, and an increase of 33 per cent over the average for the past six months. The average reserve of all Oklahoma state banks is now 48.3 per cent, as against 31.1 three months ago.

Remarkable Growth of Texas State Banks

The growth of state banks in Texas is considered by the department of banking as remarkable. Not only have the number of state banks increased, but the capital stock has increased, also other items which go to make up expansion of banking business. There are 666 state banks in Texas with \$58,152,218 in individual deposits, an increase of nearly nine million dollars over the showing of June last. The reserve on demand deposits is 45 per cent, being just three times the legal minimum. The report on the national banks of Texas shows increases in all asset items.

Bankers Club Dinner

The first season's dinner of the Kansas City Bankers Club last week was notable because it brought together, not only the local masters of finance, but all the members of the Kansas City Chapter of the American Institute of Banking were invited as their employers' guests. George B. Harrison, Jr., president of the Bankers Club, presided and the quartette from the First National sang between set speeches. Part of the entertainment was furnished by the Kansas City Athletic Club minstrels. C. W. Allendoefer, assistant cashier of the First National, who was elected a member of the executive committee of the American Institute of Banking in Salt Lake, reported the chief events of general interest at that meeting. C. A. Burkhardt, assistant cashier of the National Reserve Bank and president of the local chapter, discussed the plans of the chapter for the winter's work. The educational committee of the chapter has divided the season's course into two branches—banking and finance being the first, and commercial law the second. Several important lectures will be delivered on the various phases of these general subjects. After the courses are completed the members of the chapter will be given an examination, and those who pass will be given "institute certificates" which testify that they have completed the study of banking, finance and commercial law. After this a special or post-graduate course will be given to all holders of certificates. This course will be instruction in banking and currency principles of the United States and foreign countries. The institute work begins October 15th, meetings being held every Tuesday night during the winter and spring season. The dinner closed with a short address by P. W. Goebel, president of

the Kansas City Clearing House Association, who told of the recent convention of the American Bankers Association in Detroit. He praised highly the plan of the local institute chapter and advised every bank clerk to become a member of the chapter and take the course of instruction.

Death of George D. Ford

George D. Ford, 75 years old, who had been identified with the banking business of Kansas City for nearly half a century, died last week after a long illness. His last banking connection was as vice-president and director of the National Bank of Commerce. Previous to this he was connected with the Union National of Kansas City for many years. Mr. Ford was born in Forfarshire, Scotland. He went to Canada as a boy and engaged in stock raising, coming to the Southwest to take up the same work. He was associated with the late David T. Beals of Kansas City in the cattle business and came to Kansas City to take stock in one of Mr. Beals' banks. Mr. Ford was one of the heaviest stockholders in the Southwest National Bank of Commerce of Kansas City, and the honorary pall bearers, made up of all the officials of the Southwest National Bank of Commerce, were: A. W. Byers, Frank G. Crowell, W. S. Dickey, Edward George, John G. Groves, H. A. Guettel, J. D. Guyton, S. Harzfeld, J. J. Heim, George R. Hicks, Walter M. Jaccard, L. T. James, W. D. Johnson, R. A. Long, J. Z. Miller, Jr., John M. Moore, Fernando P. Neal, E. D. Nims, J. G. Peppard, J. W. Perry, W. A. Pickering, H. L. Root, Nathan Schloss, C. J. Schmelzer, O. C. Snider, J. P. Toenley, S. H. Velie, C. H. Whitehead and Edward W. Zea.

Carnival Week Brings Many Bankers

The annual fall carnival week in Kansas City opened Monday, October 7th, and an unusually large number of visitors came to enjoy the various events. In addition to the historic Priests of Pallas entertainments the American Royal Cattle Show was a magnetic attraction. Kansas City banks held all-day receptions during the entire week and many bankers went from one financial institution to another, paying their respects and renewing acquaintanceships. All these visiting bankers brought glowing reports of conditions in their communities, and, in fact, it was jubilee week so far as bankers and business men generally were concerned. Among the visiting bankers were: C. G. Cochran, Plainville, Kan.; J. B. Floresch, Manhattan, Kan.; R. W. McCurdy, Independence, Mo.; Benjamin Hayes, Jr., Salisbury, Mo.; C. J. Webster, Sulphur, Okla.; Judge G. H. Buckham, Winfield, Kan.; H. E. Sunderman, Newton, Kan.; Cap-

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Surplus - 300,000
Assets - 8,000,000

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tain William S. Albright, Leavenworth, Kan.; H. W. McWilliams, former president of the State National Bank of Oklahoma City, Okla.; Emil Schott, Jefferson City, Mo.; S. R. Wallan, White City, Kan.; C. I. Ford, Cameron, Mo.; J. A. Swenson, Lindsborg, Kan.; Paul S. Woods, Kingman, Kan.; W. S. Wells, Platte City, Mo.; George W. Bellamy and W. J. Finch, El Reno, Okla.; C. M. Bosworth, Oklahoma City, Okla.; W. H. Pauly, Atlanta, Kan.; W. P. Conkey, Pleasanton, Kan.; P. S. Powell, Nowata, Okla.; Charles E. Downie, Collyer, Kan.; H. P. G. Wulf, Garden Plain, Kan.; H. C. Reese, Mound City, Kan.; James Gordon, Marshall, Mo.; Lew E. Darrow, Oberlin, Kan.; F. M. Wilson, Horton, Kan.; W. T. Clark, Apache, Okla.; R. H. Sheffield, DeWitt, Mo.; P. H. Meehan, Tampa, Fla.; C. W. Weckhach, Crete, Neb.; A. H. Worley, and G. H. Amsbury, Longton, Kan.; M. N. Fulkerson, Alma, Okla., and L. A. Walker, St. Joseph, Mo.

New Assignments for Texas Bank Examiners

As the result of a conference between the bank examiners of Texas and Bank Commissioner Bill of that state, new assignments of bank examiners have been made which will mean practically an entire change of territory for each examiner. Following are the new assignments: Amarillo district, C. S. Holderness; Beaumont district, P. G. Villaret; Brownsville district, R. R. R. Cook; Calvert district, J. H. Cheatham; Dallas district, L. P. Kean; El Paso district, L. J. Davis; Fort Worth district, W. L. McFall; Greenville district, J. S. Wightman; Houston district, E. F. Gossett; San Antonio district, Louis Cohn; Sherman district, L. R. Buchanan; Tyler district, L. V. Myrick; Waco district, J. W. Hayes; Wichita Falls district, Will H. Leftwich. Mr. Leftwich takes the place from which George D. Campbell resigned. Mr. Leftwich is from Dallas and was formerly employed in the American Exchange National Bank of that city. Mr. Campbell has become cashier of the State Bank and Trust Company of San Antonio. He was in the banking department of Texas for many years and was one of the ablest of the staff of examiners.

Central West Notes

Bank clearings in Omaha for the month of September indicate a big increase over the same month a year ago. The clearings for the month this year amounted to \$68,420,007, and last year \$53,365,008, an increase of \$15,054,999.

A new five-story office building is to be erected in Wichita Falls, Tex., by the First National of that city.

The grand lodge I. O. O. F. of Oklahoma had \$8,000 on deposit in the recently failed Farmers and Merchants Bank of Sapulpa. Because of a special security bond, as well as the guaranty fund, the lodge expects to get its money back.

Joseph F. Rippey, 65 years old, vice-president of the Commercial Bank of Lawson, Mo., died last week.

Judge J. N. Brown has denied the habeas corpus petition of J. Beal Snead of Amarillo, Tex., charged with killing Al G. Boyce in that city Sept. 14th, and Snead was remanded to jail.

Robbers attempted to blow the safe of the State Bank of Kremlin, near Enid, Okla., the

night of Oct. 7th, but after wrecking the fixtures the men were frightened away without getting into the vault. Two hours later three men attempted to enter the safe of the State Bank of Douglas, Okla., eighteen miles from Kremlin, but again escaped without any spoils.

It is estimated that not less than \$5,000 has been lost by banks in the Southwest through a series of forgeries of checks purporting to have been issued by the Frisco North Texas lines. They were made on duplicates of the regular railroad form used by Treasurer Wilds of the Frisco.

Bungling robbers, in attempting to crack the safe of the Bank of Vera, Vera, Okla., one night last week, used such a heavy charge that it turned the safe over on its face and people for blocks around were aroused. The robbers got nothing.

Joseph McNeal of Guthrie, Okla., Republican candidate for governor two years ago, and L. W. Baxter of Guthrie, will open a new national bank in Tulsa, Okla., soon. Mr. McNeal will be president and Mr. Baxter cashier.

E. F. Swinney, president of the First National of Kansas City, was in New York last week attending a meeting of the directors of the Kansas City Southern railway. F. M. Prince, president of the First National of Minneapolis, was in Kansas City last week visiting F. W. Fratt, builder of the Swift-Armour bridge.

Locke Sawyer has been elected cashier of the Christman-Sawyer Bank of Independence, Mo., to fill the vacancy caused by the death of A. M. Rodgers.

The Drovers National of Kansas City, which has been growing very rapidly since its reorganization about a year ago, has increased its capital stock from \$300,000 to \$500,000. The bank now has deposits of \$2,210,000 and a fixed surplus of \$60,000. It is one of the youngest national banks in the Central West and has had remarkable success.

The board of directors of the Southwest National Bank of Commerce of Kansas City ordered a dividend of 1½ per cent paid October 1st. This is the first dividend since the consolidation of the Southwest National with the National Bank of Commerce and indicates an annual distribution of 6 per cent.

The First National Bank of Wichita Falls, Tex., is preparing to erect a five-story office and bank building.

The Farmers and Merchants Bank of Kidder, Mo., has been opened for business with \$25,000 capital. A. G. Jones is president and S. L. Gibson of Browning, Mo., is cashier.

An important event in Fort Worth, Tex., was the purchase of a large block of stock in the State National of Fort Worth, October 1st, by Earl Baldrige, who becomes first vice-president and chairman of the board of directors. Mr. Baldrige is still a heavy stockholder in the Waggoner Bank and Trust Company of Fort Worth, of which he is president. The State National is preparing to erect a twelve-story bank and office building in which both banks will have permanent homes.

C. G. Hutcheson, cashier of the First National of Kansas City, and P. W. Goebel, president of the Commercial National of Kansas City, Kan., have returned from Mount Clemens, where they took a rest after the convention in Detroit.

In a suit brought by Bank Commissioner Lankford, of Oklahoma, against James A. Menefee, former state treasurer, and Boon D. Hite, of Anadarko, to recover from them as stockholders in the defunct Columbia Bank and Trust Company, of Oklahoma City, under the double liability law, the Oklahoma supreme court held that the law applied to banks but not to trust companies and that the defendants therefore were exempt from its operation. The bank commissioner appealed the case.

The banks of Paris, Tex., held a "get acquainted" meeting recently. Invitations were sent to twenty-six banks in neighboring territory and each sent one or more representatives to Paris.

The Texas banking department has designated the following reserve agents for Texas state banks: For the Anson State Bank of Anson, the Lumbermans National of Houston; for the Guaranty State Bank of Blum, the National Bank of Cleburne; for the First State Bank of Hansford, the Drovers National of Kansas City; for the First State Bank of Malone, the State National of Fort Worth; for the Guaranty State Bank of Tyler, the National Bank of Commerce, Houston; for the Bronson State Bank of Bronson, the National Bank of Commerce of Houston; for the Texas Bank and Trust Company of Beaumont, the City National of Galveston; for the First State Bank of Killeen, the City National of Galveston; for Yoakum State Bank of Yoakum, the National Bank of Commerce, Houston; for the Lockney State Bank of Lockney, the First National of Fort Worth; for the Farmers Guaranty State Bank of Meridian, the Guaranty State Bank and Trust Company of Dallas; for the Guaranty State Bank and Trust Company of Paris, the Fourth National of New York; for the First State Bank of Dumas, the National Reserve Bank of Kansas City.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

More than \$4,000,000 resources are shown by the St. Paul savings banks than ten years ago, and most of it is made up of small deposits. Three banks were doing a strictly savings business in 1902. Resources were \$1,713,656, as against \$5,622,775. In addition, the state banks of Ramsey county have resources of \$3,705,761, as against \$2,892,403 ten years ago. At that time the Scandinavian-American was listed with state banks and it had \$1,111,033 resources alone. Difference in the resources of national banks over those of ten years past is \$24,879,117. The resources in July, 1902, were \$29,808,355, as against \$54,687,473. The nationals now number seven, with the addition of the Capital and the Scandinavian-American. Bank clearings on a selected date amounted to \$1,969,107, as compared with \$1,356,067 the year previous. In two days, clearings gained \$1,142,069. The bankers expect the clearings for October to show a gain of \$10,000,000 at least, as compared with those of the month in 1911.

Up to October 1st, the clearings have made a net gain this year of \$25,578,593 over the period of 1911. Each month, except April, shows a gain of more than \$1,000,000. The record of last year of \$531,574,516 is expected by the bankers to be beaten by \$50,000,000. Clearings for the first nine months are \$407,731,446. In 1885, clearings were \$101,636,568. In 1895 they were \$183,856,875, and in 1905, \$315,805,393.

The following table shows how clearings have made a big gain each month over the corresponding month of 1911:

1912.		1911	Gain
January.....	\$43,587,752.18	\$41,987,103.50	\$1,600,648.68
February.....	44,087,933.40	36,552,849.00	7,535,084.40
March.....	54,504,056.99	50,333,359.21	4,170,697.78
April.....	42,647,251.08	42,262,712.80	384,538.19
May.....	42,883,673.11	40,827,611.35	2,056,061.76
June.....	44,864,088.10	42,683,160.83	2,180,927.27
July.....	45,632,541.22	44,207,643.14	1,424,898.08
August.....	42,930,592.15	40,255,159.21	2,675,432.94
September.....	46,593,557.95	42,043,253.27	4,550,304.68
Totals.....	\$407,731,446.18	\$381,152,852.40	\$26,578,593.78

Concerning the Second National

Impenetrable mystery, so far as the daily

newspapers go, surrounds the goings-on over the Second National stock in St. Paul. James J. Hill is said to have acquired all the stock and that "this week" the bank will be turned over formally. It is said, also, that Mr. Hill will organize a trust company to go with it; that the change has to do with the financing of the Hill ore lands and the deposits of the Great Northern road. Joseph Chapman's name was tacked to the head of the mast by rumor, for president. Mr. Chapman said in diplomatic language: "Unless Mr. Hill says that it is so, it is not true. I have not heard from him concerning such a matter." Then the newspapers began to think maybe it was so anyway, that Mr. Hill is going to buy the First National, also to create a big bank of the two. President E. H. Bailey denied the negotiations in flat terms.

Bankers Honored

Bankers continue to hold their place in the activities of Minneapolis civic life. G. A. Lyon, assistant cashier of the First National, has been elected president of the new athletic club, which is to erect a twelve-story building. George F. Orde was elected director in the Minneapolis Civic and Commerce Association at the first annual meeting. He has been an active committee chairman.

Will Not Need Government Assistance

What the Northwest can do without the assistance of the government treasury is put down by the bankers in interviews. They say the crop needs no lubrication from outside to move easily. The bankers speak thus: F. M. Prince, First National, Minneapolis: "We do not need government assistance. We cannot foresee the future, but there is nothing now to indicate that any condition of the immediate future would make it necessary." E. W. Decker, president Northwestern National: "There is money enough. As to the future we cannot tell, but the government need not deposit money now, so far as we are concerned." J. S. Pomeroy, cashier Security National: "Al-

though there is a sharp money demand, there is enough to go around."

C. C. Webber

C. C. Webber, president Deere & Webber Co., succeeds the late H. C. Akeley as trustee of the Farmers and Merchants Savings Bank. There is another trusteeship and the presidency to fill, following the demise of John DeLaittre. The bank this quarter goes on a 4 per cent dividend basis for its depositors. It is a mutual bank. This means a distribution of more than \$100,000, in 62,154 accounts. Since information in 1874, up to April, 1912, the bank has thus paid out \$7,278,982.46. The rate has been 3½ per cent.

Northwest Banking Notes

George E. Dutton, president of the Citizens State Bank of Tracy, Minn., actively identified with several banks in the West, is the new president of the Pierce Trust and Savings Bank of Sycamore, Ill. He has bought it from Frederick B. Townsend.

The State Institution for Savings, Minneapolis, announces that its assets have passed the million mark and that it is fourth in the state among exclusive savings banks. It pays 4 per cent interest on deposits.

W. F. Olson, assistant cashier of the Union State has jumped from bachelorhood to celibacy. He was married Tuesday. His wife was Miss Anna Kramer. Finance and Commerce commented as follows: "There isn't anything quite as positive to make certain a man's success, especially of the sterling type of our friend, as 'taking to himself a wife.' May his shadow never grow less. Both young people are to be congratulated."

The Peoples State of Forest Lake, Minn., has a charter. The capital is \$10,000 and the surplus \$2,000 to start. Carl G. Malmberg is president and H. W. Swanson is cashier.

The Citizens State of Anthon, Iowa, has consulted a Sioux City architect about a new building to cost \$3,000. It is for the postoffice.

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A. G. Phelps Dodge Endorses Good Roads Movement

A. G. Phelps Dodge, a prominent citizen of Danville, Ill., in a letter to Judge Thompson of that city, indorses good roads for Illinois and points out some of the advantages to be derived therefrom. Mr. Dodge said:

"It is of little moment to anyone what my political status may be. Have been an independent all these years in Danville, voting often for republicans and quite as often for democrats, my views now fully endorsing the Wisconsin progressive ideas, which under the matchless leadership of the great Senator La Follette, the early and most sincere and trustworthy progressive, have done so much for the peace and progress of Wisconsin, satisfying the great business interests and the railways and corporations who were formerly in league against the people's interests, and giving 'The People' all that progressive politics can offer.

"Good roads, such as should exist in the Empire State of the West, waterway developments (which have doubled the wealth of Germany in the last thirty years), as perfect government of our municipalities as modern science and investigation make possible, mean more to our citizens than present partisan machine politics can offer, and vast savings of money and resources.

"As a delegate to several of the good roads gatherings in Chicago, I was impressed with the fact that the state of Illinois is perhaps the most backward state of all the greater states in this regard (which is attracting the attention of a nation-wide constituency).

"A large percentage of our roads are in almost as primitive a state as when the first settlers made access to their farms. The loss of money is prodigious, there are many millions of extra cost in marketing products, an important factor in the 'higher cost of living,' the isolation of families for months in the year from companionship with each other, at the season when, by slackness of farm work, social life should be best promoted; access to schools is hampered and the children are denied advantages enjoyed by townspeople. Almost all the evils of country life, and most of its hardships, would take flight on the completion of an adequate system of good roads. The farmers and their families would be far better customers of our merchants, higher education and advantages of religious and social life would so increase as to make the country quite as attractive as the city life, and would make plausible the cry of 'back to the soil' for many now crowded in tenement houses and other districts in our cities. The whole farming region in this automobile age would become almost suburbs of our towns, giving contentment, new energy and life to our farmers, and opportunities for culture and refinement now so often denied them, making country life far more attractive than now to the young and ambitious.

"All know these conditions; why are not the highest ideals possible? Why such waste in loss on products, on horses, harness and higher cost of necessities? A vast sum of money is lost every year by the citizens of Illinois. Is it not time for the Empire State of the West to take its place in the forefront, and, overcoming all hindrances, make the state what it ought to be for the present generation? It is far from impossible for Illinois in fifteen years to have the best, rather than the worst, system of roads in America.

"In 1849 I visited in Illinois. The rural regions were primitive indeed. I saw the beginnings of the network of railroads that lifted these isolated districts into the vast wealth of the present day. Perhaps not a 'prophet's vision,' but the excellent system of good roads contemplated would double the wealth of the state, and advance civilization as perhaps no other one thing would do. How should it be done, and in the next fifteen years?

"The state should assume the care and responsibility for all roads in the state, and for all time do away with the inefficiency and mockery of 'working the roads' in the primitive way, that each year has wasted enough money to pay the interest on a capital sum that would have given the state almost a perfect system years ago.

"In this age of gigantic undertakings, with the Panama Canal, the Drainage Canal, Canada building three main lines across the continent, and the subways of New York, equaling the greatest undertakings of the Ancients, shall the great men of our state find it hard to conceive of a state commission endorsed as to fitness by the banks and commercial men, who could furnish the many millions needed, not allowing it to become the football of politicians, but organized as the great railway properties are, with a president and board of directors above suspicion? A non-partisan syndicate of our strongest men, who could insure honest, business-like procedure and give to the people full worth of all outlay. The saving of easily a dollar and a half a ton on the acreage haul from the farm to the railways would justify a moderate road tax, that, in a term of years, would return interest and principal on an immense outlay without our citizens feeling it. Suppose the whole investment was equal to the money cost of a railroad from the Atlantic to the Pacific, the saving of money to the state annually, and the vast increase of wealth would justify the outlay. The increase in farm values and profits and other advantages to farmers, would be a strong argument to enlist their hearty support with perhaps less taxes than the present system entails.

"The railroad men, the industrial and commercial clubs and the multiplying automobile owners and manufacturers are all greatly interested. More and more our rich farmers are

buying automobiles, and with such a system of roads through the state much of the hauling of products to the station, at a minimum cost, by auto trucks, might be inaugurated. If, in the early fall, the Industrial Club of our city would invite all similar bodies of business men in central Illinois to gather in Danville to canvass the matter and listen to suitable speakers representing the national and Illinois state good roads organizations, it might lay the foundation for an early state-wide movement that would enlist the legislature to act on some gigantic plan worthy of one of the richest states in the Union. To remain as we are for another quarter of a century would be a reflection on the good sense and capacity of our statesmen and business men, who can inaugurate a state-wide system of good roads equal to the best in other states. As you know, I am quite powerless to be of much use, but am emboldened to appeal to you and through you to some of the most powerful men in our state, to take up in their own way, this great need of Illinois. The Industrial Club would do all in its power to make the effort successful, and it greatly would advance the prosperity and fame of Danville to be known as the center of such a movement.

"Pardon my presumption in urging this matter, but its vast benefits would redound to the honor of all of you who would throw your strength into it. The tide all over the state is rising, and now is the time when friends of the state and people can do their best life work for the state of Illinois.

"Very sincerely yours,
"A. G. Phelps Dodge."

ARKANSAS BOOSTER

George R. Brown, secretary of the board of trade, Little Rock, Ark., who attended the convention of the A. B. A. at Detroit, operating the publicity bureau of the Arkansas Bankers Association, is a hustler, all right, and is out with a circular letter calling attention to the opportunities afforded by their wonderful country.

ANOTHER GET-RICH-QUICK STORY

Grant Richards' new novel, "Caviare" (Houghton-Mifflin Company), recounts the adventures of a young Englishman who, being in love with an American heiress, starts out at Monte Carlo with a few hundreds, and shortly blossoms out in New York as owner of millions, amassed in a single deal in stocks. Whereupon, runs the tale, the hero hastens to rehabilitate his prospective father-in-law, ruined in the same deal, and all ends well. The story is clean and told in a vein of equable humor. The book is a "chaser" for the Wallingford series and already has gone into its third edition. It looks like a "best seller."

Pacific Northwest Banking News

Spokane, October 7th.—Bumper cereal and fruit crops in the Spokane country are already having a wholesome effect for good on conditions generally in this section, and the outlook for the future is exceedingly bright. One of the first indications of the revival is increased building activity in Spokane. Eighty-six building permits for structures, costing a total of \$214,515, were issued during the month of September, a gain of \$55,950 over September, 1911. In the first two days of October nine permits for a total of \$16,440 were issued, indicating that September's activity may be overshadowed by its successor. The collection of grains, grasses, fruits, vegetables and live stock at the Spokane Interstate Fair last week is a concrete example of the great size and splendid quality of soil products of the Spokane country this year. From all parts of this territory are assembled the largest and best exhibits ever shown in the Spokane country.

The success already attained in preliminary plans for the fifth national apple show, to be staged in Spokane on a \$42,000 basis, September 11th to 17th, is another indication of the upward trend of financial things. Business men of Spokane contributed a \$60,000 fund for apple show and development purposes this year.

Now that the bumper wheat crop is safely in the sack, apples and other fruits are occupying the center of the stage. Never in the history of the Pacific Northwest has such a big yield of apples been realized. This is due not only to increased acreage but to a greatly increased yield per acre. Improved methods of marketing will enable the growers to dispose of their product with greater facility this year, although much remains to be accomplished in the matter of organization and co-operation for distribution purposes. A determined campaign for evaporation, dryers and canneries has been taken up, with the hope of increasing revenues and preventing waste.

Keystone Water Users Association Organized

The Keystone Water Users Association has been organized to place water on between 5,000 and 25,000 acres of semi-arid land in the vicinity of Sprague, Wash., and Keystone lakes, in the northern part of Lincoln county. After more detailed engineering investigation the project will be started and the land devoted to fruit culture. E. A. Moritz, formerly government irrigation engineer at North Yakima, Wash., is in charge of the investigation, to conduct which an assessment of 10 cents an acre has been levied. The maximum raise to irrigate the proposed area will be about 90 feet, while a considerable area can be watered with a lift of 50 feet. Engineers, after a short survey of the situation, have estimated that an assessment of \$30 an acre on a basis of 10,000 acres, and a lift of 65 feet will be sufficient to complete the work, and that a maintenance fee of about \$3.50 would suffice.

Reduced Rates on Shipments

A compromise agreement entered into between Spokane, Seattle and Tacoma shippers, railroads engaged in traffic across the Cascade mountains, and the state public service commission, will give Spokane reduced rates on carload shipments from Pacific coast points. Most of the commodities affected are products of California shipped north by water. Spokane made the fight for lower carload rates from the coast on twenty-six commodities, that they might compete on more equal terms

with the coast shippers, who had been given a lower carload rate last spring, which placed the local shippers at a disadvantage. The agreement, as it now stands, will give Spokane relief on nine of the twenty-six commodities they desired. The settlement, as explained by Spokane authorities, is a "saw-off" all around, and while Spokane makes considerable gain, the local shippers have made concessions.

Improvement Bonds at Par

Approximately \$380,000 in Spokane improvement bonds, issued to contractors Fife Brothers & Kennedy, together with \$103,000 in cash, have been disposed of by the contractors through the Spokane and Eastern Trust Company at a price netting the contractors slightly better than 97 cents on the dollar, according to Frank Williams, in charge of the bank's bond business. This is considered the best price for a large issue of special improvement bonds ever obtained by a Spokane contractor, and Mr. Williams states that the bank has already sold every dollar's worth of the bonds at par to local investors.

Spokane to Be Made Fruit Storage Center

By an arrangement announced by the Northern Pacific, fruit growers of the Spokane country will be able to decrease the amount of money tied up heretofore in the moving of their crops, and Spokane will be made the fruit storage center of the Northwest. The plan includes building of a central storage plant in this city, with a capacity of 5,000 carloads. In addition, the Northern Pacific announces that this city will be made a storage-in-transit center October 19th. Under the present tariffs and arrangements, Washington, Oregon and Idaho fruits destined for eastern points cannot be stored west of St. Paul, and a special storage rate of ten cents a hundred pounds is added. After October 19th the fruit may be stored in Spokane at a cost of five cents a hundred. The project of building the 5,000-car storage plant will call for the formation of a company, in which the growers themselves will be interested on a co-operative basis. It is proposed to handle here the product of the Spokane valley, Wenatchee, Walla Walla, North Yakima, Palouse and Lewiston.

Harvesting Begun

Harvesting is on in full sway in the grain districts of the Spokane country. The bumper crop which stood in the fields of eastern Washington and northern Idaho when the rains began a month ago will all be saved, several days of brilliant sunshine and gentle but drying winds having put the wheat, oats and barley in fine condition. In the Palouse country about a week more is expected to put the grain in the sack. The same is true of the Walla Walla, Lewiston and Big Bend districts.

Bank of Montana Organized

Articles of incorporation for the Bank of Montana have been filed with the county auditor at Billings, Mont. The legal life of this institution is 40 years, and the capital to open on will be \$50,000. Seven directors have been chosen to serve until January 1st. They are Chas. O'Donnell, R. Molt, A. H. Arnett, L. H. Wenske and Jos Zimmerman of Billings, Kenneth McLean of Miles City, and A. H. Marble of Cheyenne, Wyo. The bank will be located at Billings, but the date of opening has not been made public.

Banking Notes

Among out-of-town bankers who came to Spokane for the nineteenth annual interstate fair were W. R. Anderson, cashier Farmers State of Colfax, Wash.; A. A. Crane, president First Bank of Harrison, Idaho, and Stewart Young, president Rathdrum (Idaho) State Bank. All report improvement of conditions in their localities.

John W. Hall, former president of the First National of Montezuma, Iowa, has bought a majority of the stock of the Burlington Mining Company in the Coeur d'Alene district. Mr. Hall is now in Spokane on business connected with the mine.

Mrs. J. P. M. Richards, wife of the president of the Spokane and Eastern Trust Company, died at the family residence in Spokane last week after an illness of two years. Mrs. Richards was a pioneer of Spokane.

W. D. Vincent, cashier of the Old National at Spokane, and a member of the executive council of the clearing house section of the American Bankers Association, has been named one of three delegates to represent the association at the International Dry Farming Congress, to be held in Lethbridge, Alberta, this fall. The other delegates are B. F. Harris of Champaign, Ill., and J. W. Wheeler of St. Paul.

The local chapter of the American Institute of Banking has received word that Byron W. Moser of St. Louis, recently elected president of the organization, will visit in Spokane this fall. A large reception is being arranged for Mr. Moser.

The Union Securities Company of Spokane has secured control of most of the stock of the Colfax (Wash.) State Bank. The following officers were elected: J. K. McCornack, president; R. M. Hanna, vice-president, and R. F. Bigelow, cashier. Mr. Bigelow has been with the Old National Bank in Spokane.

James C. Cunningham, vice-president and manager of the Union Trust and Savings Bank of Spokane, received appointment as vice-president for Washington of the trust company section of the American Bankers Association. Mr. Cunningham is expected to return shortly from Chicago.

SECRETARIES SEND OUT PROCEEDINGS BOOKS

Among the convention proceedings books which have been received at this office to date are those of Wisconsin, California, Iowa and Vermont. All are neatly bound and reflect much time and work spent in their compilation. Secretary Bartlett sends out a book for Wisconsin containing close to 300 pages, replete with information relating to the association, its members and activities. Secretary Colburn of California has a volume profusely illustrated with pictures of prominent members of the association, while those of Secretary Hall of Iowa and those of Secretary C. S. Webster of Vermont faithfully detail all that transpired at their respective conventions. The Vermont association, while only a few years old, has shown a consistent growth and the character of the meetings has been of a very instructive nature from the beginning. An appeal is made to bankers to work toward including every bank in the state in the membership.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

EDMONTON NEWS

Edmonton, Alta., October 7th.—Substantial increases in all lines of financial, commercial, industrial and municipal activity at Edmonton, Alta., are shown by reports for September, the most rapid progress being in building operations. Two hundred and twenty-two permits, involving an expenditure of \$2,023,075, were issued last month, as against 216 permits for buildings costing \$369,970 in September, 1911, and 138 buildings, valued at \$169,863 in September, 1910. The total for the first nine months this year is 2,981 buildings valued at \$12,274,551, as against 1,382 buildings costing \$3,076,750, the same time in 1911. Bank clearings reached a total of \$17,702,714 in September, as against \$10,221,782 for the same month a year ago. The total clearings for the first nine months this year amount to \$153,491,342, as against \$80,536,785 for the first nine months of 1911. Custom house receipts for September amounted to \$159,044, as against \$65,076 the same month a year ago. The total for the first nine months this year is \$1,098,834, as compared with \$482,888 for the same period last year.

J. E. Brown, president of the Edmonton Wholesale Merchants Association, says all lines of wholesale and retail merchandising in Edmonton show gains of from 65 to 150 per cent over September, 1911. Stores are being established in new towns in central Alberta, along the Canadian Pacific, Grand Trunk Pacific and Canadian Northern railroads.

Banks and implement houses report that collections are better this fall than at any time in the last three years. Large crops of all kinds of grains were safely harvested, and threshing is now under way in many districts around Edmonton. Wheat generally is of higher quality than in 1911, and millers are placing large orders.

There are large increases in sales of city and farm land. Smaller farms, to be devoted to mixed agriculture, including dairy cows, hogs and poultry, are in demand with prices somewhat higher than a year ago.

"The fall season is opening earlier than formerly," said H. Milton Martin, president of the Edmonton Board of Trade, "and there is every indication that business of all kinds will be better the next six months than at any time previously. English capital and some American investors are looking to central Alberta as a safe field and scores of experienced farmers are coming into this district from various parts of the world."

George M. Hall, industrial commissioner for the municipality, reports receiving numerous inquiries from eastern Canada and the United States as to the manufacturing possibilities in Edmonton and the tributary country. Seven branch factories were located in September.

BANK CONSOLIDATIONS

During the period from December 6, 1911, to September 5, 1912, there were four state bank consolidations in Chicago, three of the banks,—the Metropolitan Trust and Savings, Western Trust and Savings, and Prairie State,—being taken over by the Central Trust Company of Illinois on December 15, 1911, and January 27 and May 4, 1912, respectively. The Merchants Bank was absorbed by the Merchants Loan and Trust Company of Chicago on January 2d.

Indiana

The bank of A. T. Bowen and Company of Delphi has deposits of over \$1,100,000 in a little city of 2,100 people. The deposits are the largest of any private bank in Indiana and are also the largest of any private bank in the United States in a town the size of Delphi. The business of A. T. Bowen and Company is unique in that the capital of the bank is only \$10,000 and only \$4,400 in cash and on reserve is carried. The last named amount gives the Bowen bank the record of being "the bank without money." Mr. Bowen was among the early bankers in the Middle West to foresee the rapidly increased use of checks, and early encouraged his customers to use checks instead of money. He also gave all checks and drafts at par at a time when the exchange charges were larger and more universal than they are now. As high as five per cent is paid to customers on certificates of deposit.

The business of A. T. Bowen and Company was established in 1837, and since 1844 has been conducted in the same room. Mr. Bowen has also operated a private bank in New York City for twenty years and divides his time between Delphi and New York. Mr. Bowen's father, a pioneer banker in Indiana, established the bank.

The deposits of A. T. Bowen and Company in Delphi are larger than the deposits of any other private, state, national or savings bank or trust company in any town in Indiana of not more than four times the population of Delphi, or in any town in the United States of no larger population than Delphi and having as many financial institutions (five) as Delphi. The bank is examined by the state twice a year. The other banks in Delphi total somewhat less than a million dollars in deposits, so that the little city of 2,100 people has bank deposits of two million dollars.

Preparations now are being made for the organization of a new bank for Indianapolis, to be known as the Indiana State Bank. It will be capitalized at from \$300,000 to \$500,000, and probably will begin business about November 1st.

Indianapolis.—A site has been purchased and announcement made by officials of the East Side State Bank that work is soon to be begun on the erection of a modern two-story banking building in Irvington at an approximate cost of \$15,000.

The structure will be built on a site at the

southern corner of Washington Street and Ritter Avenue. The new building will cover the entire site, which has a frontage of forty feet on Washington Street and 100 feet on Ritter Avenue. The building is to be of brick construction and, in addition to the banking quarters on the ground floor, will have space for a store room. The purpose for which the second floor is to be used has not been determined. Large vaults will be located in the basement of the building.

NEW TRUST COMPANY CHARTERED

A charter has been granted for the Equitable Trust Company, Atlantic City, N. J., with \$200,000 capital. Ex-Mayor Harry Bacharach will be president. Others interested include Dr. Emery Marvel, George B. Harris, B. Frank Off, Samuel I. Braunstein, Henry Weinman, Frank J. Moore and Hiram Mathis.

NEW BANK FOR PASADENA

Pasadena, Cal., October 8th.—A group of Pasadena capitalists headed by W. H. Hubbard has organized the Citizens Savings Bank. Articles of incorporation have been filed with the county clerk. The bank starts with a capital stock of \$100,000, which will later be increased to \$250,000, and a trust department will be added. The directors are W. H. Hubbard, Charles Durrand and Henry T. Hazard.

THE "CHICAGO BANKER" SWORN STATEMENT UNDER NEW POSTAL LAW

Statement of the ownership, management, etc., of THE CHICAGO BANKER, published weekly at Chicago, required by the Act of August 24, 1912.

Note—This statement is to be made in duplicate, both copies to be delivered by the publisher to the postmaster, who will send one copy to the Third Assistant Postmaster General (Division of Classification), Washington, D. C., and retain the other in the files of the postoffice.

Harry Wilkinson, Editor and Publisher, 5127 Lexington Ave., Chicago.

M. Kraemer, Managing Editor, 1824 Estes Ave., Chicago.

J. G. Campbell, Business Manager, 5432 Winthrop Ave., Chicago.

Owners: (If a corporation, give names and addresses of stockholders holding 1 per cent or more of total amount of stock.

Not a corporation.

In regard to Section 2 of the law, THE CHICAGO BANKER does not accept payment for editorial or other reading matter.

Known bondholders, mortgagees, and other security holders, holding 1 per cent or more of total amount of bonds, mortgages, or other securities:

There are no bonds, mortgages or other securities outstanding against THE CHICAGO BANKER.

Sworn to and subscribed before me this 1st day of October, 1912.

J. G. CAMPBELL,
Business Manager.

(SEAL)

Harry Wilkinson,
Notary Public.

(My commission expires June 1, 1914.)



THE OLD NATIONAL BANK of Spokane

offers correspondents genuine service based on a knowledge of their needs and an organization capable of meeting them in every particular

D. W. TWOHY, President
T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

JOHN McHUGH - President
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 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The Bankers Life Company of Des Moines, Ia., officered and owned by leading bankers of that state, is having the usual difficulties incident to a change in rates. Their business, built up on the assessment plan, recently has been changed to embrace certain features of the old line insurance plans, and consequently some yelping is going on among the policy holders.

Des Moines, Oct. 9th.—The relation of the bank and the Iowa manufacturer are to be discussed once more. The Iowa League of Commercial Clubs, in making its call for the state convention at Sioux City, October 22d and 23d, calls especial attention to this phase of the program. A committee of bankers and merchants is at that time going to take up the proposition with a view to making Iowa credits more substantial and fostering industrial development all over the state. It is claimed that small manufacturing establishments all over the state have been closed down within the past two years for want of confidence in commercial paper by local bankers. The official call for the convention continues: "We are not criticizing the banks. They did what they were obliged to do in the premises under our present monetary system. There is scarcely enough real money in the United States to pay our postage. We should have an elastic currency to take the place of a doubtful credit system. No other nation in the world would do the volume of business that is done in America to-day with practically nothing back of our credit but confidence. The credit system will always be of an elastic character, but with proper legislation a banker can be made absolutely certain in his securities against credits, and it is our desire to place Iowa credits, with the assistance of our banks, in the very front ranks. When we protect our banks we protect our credits, for our banks deal more largely in our credits than anything else."

Not the Same Gang

Gust Patek, Iowa detective for the Iowa Bankers Association, is convinced that the gang which robbed the Grand River bank of \$1,000, is not the same as that which later robbed the Lake Park bank of \$3,000. He thinks that the former is an Omaha or Des Moines bunch, while the latter is either working out of Minneapolis or Sioux Falls. No arrest has been made in the Lake Park case except the one man spoken of in my last letter.

For Private Bank Inspection

Bankers in Des Moines, while not as yet united upon the method to pursue, are seemingly unanimous in the opinion that the next legislature should provide some means of private bank inspection. It is proposed to require a system of reports such as will make it possible for the state insurance department to keep in touch with the situation. It is thought that the Des Moines bankers will take up the question at meetings of the Bankers Club this winter. Bankers in other cities in Iowa are in favor of legislation along the same line.

Interest Rates Will Advance

Arthur Reynolds, president of the Des Moines National, was quoted in a Des Moines paper as stating that loans are so low in Iowa this fall that a movement is on foot to reduce

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
 and Western Illinois along broad,
 liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

the rate of interest to 5 per cent. When this interview was published, people began to inquire at the various banks for low interest loans. Mr. Reynolds was quick to explain that he had been misunderstood by the reporter and that interest rates in Iowa are more apt to advance than to go lower than 6 per cent. Conditions are excellent in Iowa, Mr. Reynolds says, much better than in the East. There has been a falling off in demand for money on the part of farmers for speculative purposes, indicating that the furore for acquiring lands in the West, Southwest and Northwest has subsided. Also, the indications are that the farmers have largely completed the payments for lands of this character and are not borrowing money nowadays to pay on their contracts.

September Clearings High

September was a splendid month for the Des Moines bankers. Clearings for the month show a total of \$18,919,540.13, as compared with \$16,539,274.02 in 1911. This is a gain of \$2,380,266.11 in favor of 1912, which is regarded by Des Moines financiers as a most satisfactory showing.

Judgments in Favor of Bankers

Five farmers at Treynor who have been financing the Iowa and Omaha Short Line, connecting Council Bluffs and Treynor, have been forced to file confessions of judgment aggregating more than \$105,000 in favor of Council Bluffs and Treynor bankers. The City National of Council Bluffs, the Treynor Savings of Treynor and August Dammrow, president of the latter, are named. Five confessions of judgment filed prior to this time were named as follows: August F. Dammrow, \$44,413.39; Treynor Savings, \$38,890.49; City National, \$25,396.44; Council Bluffs Savings, \$17,000; First National, \$69,053.78; B. P. Wickham, \$35,832.59. It is stated that the suits and resulting judgments are largely of a friendly nature and it is not anticipated that the road will be embarrassed in the future.

Sold Newspapers on Sunday

An interesting situation developed at Guthrie Center recently when A. D. Lemmon, druggist and president of the Guthrie Center

Farmers Savings Bank, was arrested for selling newspapers on Sunday. It seems that Guthrie Center has had a Sunday closing war on its hands, following a struggle over whether or not Sunday base ball should be permitted. For three Sundays every restaurant, drug store and ice cream parlor was closed and not even cigars were sold or meals served. Then Mr. Lemmon opened his store and dispensed the Sunday morning papers. He was taken before "hizzoner" and it is said that the end is not yet.

John Burianek, Jr., Causes Arrest of Forger

Cashier John Burianek, Jr., of the Peoples Savings at Cedar Rapids, nipped in the bud an effort on the part of David Schueler of Peoria to make a "killing" by means of a bogus certificate of deposit for \$2,500. Schueler, it seems, rented an office in the Cedar Rapids Savings Bank Building and had secured a loan of \$500 on the certificate when Burianek became suspicious. He communicated with the First National at Lincoln, Ill., in which the money was reported to be deposited. Then he swore out a warrant and caused Schueler's arrest.

Pay Large Dividends

Stockholders in the various Davenport banks received \$71,500 from the institutions as dividends on October first. The First National, which pays in November, and the Home Savings, which pays in January, did not participate in the division, but the other institutions of the city were on the job. It is said that the dividends are the largest ever paid. The total paid by the banks each year amounts to \$241,500, while the average annual dividends are 9.9 per cent.

Iowa Banking Notes

Fred E. Frisbie of Sheldon, a banker who was named elector on the Republican ticket in the eleventh district to succeed Simon Fisher of Rock Rapids, who resigned because he favors Roosevelt to Taft, will in turn be required to retire. It seems that a ruling has been made that as a director and officer in a national bank, he is ineligible. C. L. Voss, the electoral candidate in the tenth district, also will be compelled to retire because he is a banker and comes within the terms of the same ruling.

The Northwest Davenport Savings has opened its doors and takes pleasure in the announcement that by three o'clock in the afternoon of its first day its deposits had reached \$35,350.26. There were 100 savings depositors and 50 commercial accounts and the bank officials feel that for a new institution they are "going some."

Fred Risser, cashier of the Central State at Des Moines, read a paper before the Des Moines Credit Men's Association on "Economic Conditions in the Middle West." He declared that the financial outlook is splendid, with easy money, collections good, and crop prospects excellent. Mr. Risser attributed the high cost of living to the tendency on the part of consumers to live more expensively than they did in former years.

President Lee Stevens of the Century Savings has mailed out neat little booklets showing that the Century, since January 26, 1910, has increased its deposits from \$465,246.74 to \$994,864.50 at the call for September 11, a remarkable gain.

Iowans have been especially interested in the recent sentence of Earl Standard for robbery of the American National at Pomona, Calif. Like a great many residents of California, Standard was formerly a resident of Iowa and lived at Northboro in Page county.

Charles S. Huttig, head of the American Bankers Association, was once a resident of

Muscatine. With George M. Reynolds, former president, and Arthur Reynolds, future president of the A. B. A., also Iowa products, this state feels that it is entitled to take a reasonable degree of pride in what she has done.

Mrs. J. I. Sweeney, wife of a well-known banker at Osage, died of paralysis at the age of 61 after a short illness.

The loan shark evil is slated as the subject of an address and discussion at the Iowa state conference of charities and corrections, which will be held at Cedar Rapids November 17th to 20th. It is anticipated that much good will come out of this debate.

The directors of the Davenport Savings at a meeting last week passed resolutions in memory of the late Henry Struck, cashier and director. Mr. Struck's death occurred July 18th. The resolutions recite something of the history of the man and are warm in their praise of his devotion.

The bonds for \$124,000 for river improvement in Des Moines are having a serious time. Chapman & Mills of Chicago, after securing the bonds, announced a misapprehension and refused to take them. They will be advertised again.

Sioux City

By JOHN J. BIDDISON.

Sioux City's fourteenth bank has opened for business. The Morningside bank, a private institution, but backed by several men of considerable means, opened its doors on St. Aubin Avenue, in Morningside, a suburb of Sioux City, on Monday, October 7th. It claims a responsibility of \$100,000. E. C. Peters is president of the bank, and John Scott, Jr., is cashier. M. C. Peters, son of the president, was the first depositor.

This is the third bank to be organized since the Merchants National was absorbed by the First National, nearly two years ago. The other two are the American Savings and the Mid-West.

Depositors to be Paid in Full

The German-American State Bank, of Witten, S. D., which closed its doors two weeks ago, has cleared away the debris in record time, through the medium of State Bank Examiner Wingfield. The three other banks of the town have taken over the affairs of the defunct institution, and the depositors will be paid in full.

Death of Orville Schubert

Orville Schubert, cashier of the State Bank of Isabel, S. D., died at the home of his parents in Pierre, S. D., after an illness with typhoid fever. He was sick only a few days.

Sioux City Postal Savings Bank One Year Old

Sioux City's postal savings bank celebrated its first anniversary Tuesday, October 8th. Sioux City bankers who have recently been willing to be quoted are of the opinion that it has been a benefit, rather than a hindrance, to their business, for the reason that it has drawn money out of hiding that would not have been deposited in the banks themselves, while the government has re-deposited most of the money with the banks here, all but two of the principal ones are depositories of the government bank funds. There has been deposited during the year, \$15,333 more than has been drawn out. Most of the depositors are foreigners.

The Bank of Sidney Ark., has been chartered by the state, capital \$10,000. J. P. Bone is president; S. T. Ham, vice-president; D. H. Yeager, secretary and treasurer.

FOURTH NATIONAL OPTIMISTIC

The Fourth National Bank of New York, in its October circular, says:

"At no time since the year opened has the money market situation been as interesting as it is to-day. This is because the efforts under way to move the crops at the West has produced the first shortage in the supply of freight cars reported by the railroads of the United States since October, 1909. Traffic is so great on many of the western lines as to cause a serious congestion at various distributing points, with the result that a vast amount of money is tied up, pending the marketing of the grain that is awaiting shipment to all sections. This congestion will be relieved gradually, but advices from all parts of the West and Southwest indicate that the sum required to move the crops this year will be very greatly in excess of what was used for that purpose a year ago. The banks are admirably prepared to meet this demand, but during the period when the crop movement is in full swing the banks of many important reserve centers are likely to experience a greater demand for money than ever before from this source.

"Trade expansion is continuing throughout the United States, which is another reason why money rates are just now at the highest level of the year. With the rise in call loan rates during the closing days of September, a great deal of out-of-town money was attracted to New York.

"A canvass just made of the southern territory shows that the banks of that section are in a very strong position, and that the cotton crop will be moved without serious difficulty. There is plenty of money in the South; most of the banks being in a generally better position than last year, and when the new cotton crop is paid for the people of that territory will certainly enjoy increased prosperity. The movement of cotton will be in full swing very soon, and Europe will be a heavy bidder for whatever surplus there is to spare. Cotton creates exchange faster than any other crop raised in the United States, and the enormous export this season will be of great benefit in promoting the import of gold from Europe.

"One reason for the great activity in the Wall Street loan market during the closing days of September was the heavy increase in the amount which has to be disbursed this year in connection with the October first payments. Altogether \$173,000,000 will be paid out in connection with these maturing obligations. It must be remembered also that there is a considerable volume of short term notes which fall due before the close of the year. A large number of these issues have already been provided for, but there is still a good deal of financing to be done in connection with the large payments which invariably have to be made towards the close of each calendar year. The New York banks have not a large surplus reserve, but there is no reason to look for undue stringency in the money market or for such an advance in discount rates as would really bring hardship to commercial borrowers. While trade is as active as it is to-day merchants will have to borrow heavily, and there is every reason why the banks should afford them all the accommodation that they are entitled to. It takes a great deal of money to operate the immense steel plants and other manufacturing interests on the 'rush order basis' which is being followed at many industrial centers. With gold flowing to the United States from Europe and with the treasury possessed of a sufficient working balance to permit of large deposits of government funds with the banks should occasion require it, the money market would seem to be fairly well protected at this time against any very startling advances in discount rates."

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

W. W. WALTON

Walter D. Moody, managing director of the Chicago Plan Association, gave a very interesting and instructive stereopticon lecture before the members of Chicago Chapter, American Institute of Banking, at its first general meeting Tuesday evening, October 8th. The plans outlined in his lecture will be watched with great interest by those who had the privilege of attending the meeting. The late Daniel Hudson Burnham, accredited with being the world's greatest "city planner" of this age, was one of the originators of this plan, and too much praise cannot be given him for the prominent part he has taken in this work.

This undertaking for the beautifying of Chicago is considered by many as only a dream, but Mr. Moody conclusively proved that this plan is not "a dream." He showed views of the city at different stages of its wonderful growth, and of the rapid progress it made; also views of the new Blackstone and Sherman hotels in comparison with the old Fremont House, and the new Northwestern station in comparison with their first station.

In building a house one must have a plan; in fitting a garment the tailor must have a model; so, in building a city, a definite plan must be drawn up and followed with precision. As striking examples of where plans have been followed in beautifying cities, and which have been successfully worked out, views were shown of Paris, Berlin and London. Similar plans are at the present time being worked out in Washington, Cleveland and Seattle.

The tendency is for people to locate in cities, and Chicago, on account of its geographical location and the large amount of natural resources at its door, is destined to be the world's greatest city, and some definite plan should be mapped out for the future of the city and assiduously followed. Much labor and money will be necessary to bring this work to a successful termination, and this can be done only with the co-operation of all those interested in a "city beautiful," built along scientific lines, and, while it is not expected that this achievement will be completed before fifty, or even seventy-five years, those who are interested in this movement are very optimistic and feel confident that results will be accomplished by that time; in fact, it is stated considerable progress will be made during the next twenty-five years. Views were shown of Paris, the world's most beautiful city at the present time, as a vivid illustration of what can be accomplished if a definite plan is followed.

The Chicago Plan contemplates a civic center, boulevards and the main thoroughfares diverging from this center like a fan, thus relieving congestion in traffic. This plan will also give added conveniences in travel and opportunities to enjoy the fresh air and sunshine. Mr. Moody places the conservation of pure air, light and sunshine of more vital importance than the conservation of the natural resources, which after all are the real natural resources, and the Chicago Plan Commission has not neglected the conservation of these resources in their plans for a greater city. An outer parkway and lagoon on the

lake front is also planned, and it is hoped, during the course of time, to extend this as far as Lake Forest. Views were shown of what the commission contemplates doing toward beautifying Chicago, and showing conditions as they exist at the present time and wherein it is advisable and practicable to carry out the plans outlined.

Mr. Moody is very confident in the belief that when the population on the Pacific Coast, the most resourceful part of the country at the present time, reaches twenty millions of people, that Chicago will be the commercial center of the world.

Too much credit cannot be given to those gentlemen who have contributed of their wealth and energies in making this commission possible, as it has only been through their efforts that the work has been so successfully inaugurated. Mr. Moody also stated that no other class of business men in this city is so well represented on the committee as Chicago bankers.

Mr. Moody's lecture was very interesting, and it is only regretted that he did not have the time to give the institute more of his valuable ideas as to the plans of the commission, and he certainly can depend upon the moral influence of the Chicago Chapter in such a grand work.

The Rhetoric and Composition class met Friday evening, October 4th, about three hundred and fifty being in attendance. Mr. Halsey M. Matteson gave a very interesting lecture. The class in Commercial Law met Tuesday evening, October 8th, and although the weather was inclement during the day, over three hundred were in attendance at this class.

Chicago Chapter anticipates enjoying a very prosperous and profitable year, as we are already assured that our membership will be thirteen to fourteen hundred members.

CANADA FROM THE BANK CLERK'S POINT OF VIEW

London, Oct. 7, 1912.—There is no doubt that a considerable number of young bank clerks—especially those who have received their training in Scotland—proceed yearly to Canada in the service of the Canadian banks. One of the first things which very many clerks do when they have passed the examination in England of the Institute of Bankers, in Scotland of the Institute of Bankers, is to apply to some foreign or colonial bank for a position on its staff abroad. They find, as a rule, that it is no easy matter to obtain an appointment forthwith, and it is possibly due to this fact that so many of them accept appointments in Canadian banks, notwithstanding the small salaries offered by such institutions compared with the salaries paid to bank officials in the East, and South America, and even in South Africa. The bank clerk is, perhaps, inclined rather too much to sacrifice the future for the present, influenced no doubt by the immediate increase in his salary from 50 pounds or 60 pounds a year in England, and even less in Scotland, to 120 pounds or 140 pounds a year which he receives on proceeding to Canada. Very few ask themselves whether their position in twenty years' time will be better or worse than it would be if they were to remain

in this country; and out of those who go to Canada there will be very many men, who, after twenty years' service, will feel that they would have done just as well, if not better, if they had stopped at home.

Many clerks have left for Canada during the past few years, and many more will no doubt follow them there, and in view of the conflicting views which are held as to the prospects for bank clerks in Canada, it is desirable that the advantages and disadvantages should be placed before those who may be thinking of going to that country. To many in England it must often have been a matter for surprise that the Canadian banks should be unable to staff their branches with Canadians, but the fact is that the Canadian does not settle down easily to banking. He is more happy-go-lucky and restless than his English brother. Hence, men from England and Scotland are preferred to him by the Canadian banks, in most cases, as being better educated, steadier and more conscientious in the performance of their duties. A Canadian university student informed an English bank clerk who joined one of the Canadian banks not very long ago that, when a Canadian had failed at everything else out there, he went into a bank, and that the worst class of Canadians was to be found in the banks. The salary offered to those willing to proceed to Canada naturally varies with the experience which each applicant has gained. If a bank clerk has had three or four years' experience in English or Scotch banking, he should insist on receiving \$700 a year to commence, and, in view of the difficulty which the Canadian banks experience in getting suitable men, he will be almost certain to obtain this amount. Less experienced clerks can readily obtain \$500 a year. The increases of salary when in Canada vary from \$50 to \$150—the average being about \$100—and are given yearly for several consecutive years. It may even be said that the tendency is toward the higher sum mentioned, the banks having to be as generous as possible in order to prevent their clerks from leaving their service. An efficient man can almost reckon on his salary being increased yearly until he is in receipt of a salary of \$1,500 a year. As regards marriage, most of the banks have a fixed minimum salary on which a clerk is allowed to enter that state; in one bank the minimum is \$1,000, in another it is \$1,200. Most of the clerks in the banks are under forty years of age. A few years' experience at a branch fits a clerk for a branch managership, and, in fact, by the time a clerk reaches the age of thirty, he will either have become a branch manager or have given up banking altogether.

Another important matter to consider is the cost of living. It is said that a clerk can live comfortably on \$500 a year in Toronto or in any city in Ontario, less being required in the country towns. From Winnipeg westward, living is more expensive, and special allowances varying, from \$200 to \$300, are made to those who proceed there. Good board and lodging cost \$5 a week in Toronto; outside the city the cost is less. Some clerks rent rooms at \$2 a week and take all their meals at the restaurants. Board and lodging may hence be put down at \$250 a year. Clothing would cost \$100 at the outside—a good suit of

clothes costs \$25; boots cost \$5 a pair; but neither the clothes nor the boots are as good as those obtainable in England at the same price; shirts, collars and ties cost about 25 per cent more than in England. Washing may be taken at \$30 a year. Car fares may be put down at \$25 a year, where necessary. Cigarettes cost about twice as much as they do in England; pipe tobacco costs about the same as in England, while smokeable cigars can be had for 2c. upwards. From these details it is evident that it is impossible for any one living in Toronto, for instance, to save anything out of a salary of \$500 a year, though it would be possible to do so in some of the up-country villages. The clerk with \$700 a year should be able to save something, but whatever he saves will not be more than he will require to meet the cost of taking a holiday in England, should he so wish at the end of two or three years. Apart from this, there are many who help to support their parents, and in such cases a holiday at home must be a more or less remote pleasure—for several years, at any rate.

A year or so ago a young bank clerk went to Canada. In a letter received in reply to an inquiry as to whether he liked the change, he stated that he did not regret having gone to Canada, but added that, had he foreseen all that he now knows, he would have had some hesitation in accepting the post which was offered to him. When asked whether he would recommend bank clerks to go to Canada, he said that he found it difficult to reply. He "would hardly like to recommend others to go," though he "would not advise them definitely to stop at home." Canada, he thinks, as a growing country, offers as good, if not better, prospects as other colonies, and he would impress on those who decide to go the possibility of their being able to better their position by leaving banking for other pursuits, such changes taking place more frequently in Canada than in England.

Any bank clerk who has the opportunity of going abroad ought to consider, not the immediate present, but the future. He should ask himself this question, "Shall I be better off in twenty years' time by going abroad or by staying at home?" If he is energetic, devoted to his work and determined to succeed, he will, we believe, do just as well in this country as elsewhere. If he can feel that he has every reason to expect that he will be receiving even £250 a year by the time he is forty, he would be well advised to remain at home rather than proceed abroad. No doubt, if he stops in England, it is very unlikely that he will ever receive a salary such as is paid to bank managers in the East, but he will enjoy much better health than do his friends in India and China—an advantage which cannot be measured in money. If home prospects are compared with those prevailing in Canada, it is obvious that the possibility of receiving \$1,500 or so a year, even by the time a man is thirty, is not very alluring when one takes into account, on the one hand, the salaries paid to efficient men at home, and, on the other hand, the severance of home ties, the increased cost of living, and the climatic conditions of Canada. It would, therefore, seem that, if a bank clerk intends to remain in banking employment, he would be well advised not to go to Canada; but if he merely wishes to enter a Canadian bank in order to get to Canada, and has no intention of stopping in its service for more than a few years, he will find such an institution very useful in that the employment which it affords enables him to keep himself until he finds some more congenial and lucrative occupation.

A charter has been issued to the First National Bank of Chino, Cal., capital \$25,000, a conversion of the Chino State Bank.

NEW BANKS ORGANIZED

In the time which elapsed from December 6, 1911, to September 5, 1912, forty-five state banks were organized in Illinois, with combined capital of \$3,305,000. The bank with the largest capital was the Mercantile Trust and Savings of Chicago, organized June 24, 1912, with a capital of \$250,000. Eight of the forty-five new institutions are located in Chicago, viz.: Lawndale State, West Englewood Bank, Franklin Trust and Savings, Lincoln State Savings, Mercantile Trust and Savings, Hyde Park State, and State Bank of Italy. Each is capitalized at \$200,000, with the exception of the Mercantile Trust and Savings. Some of the more important down-state banks are: Paxton State, with capital of \$100,000, and Union State Savings at Kewanee, with a like amount. Two Chicago suburban banks, each with capital of \$100,000, were organized.—Suburban Trust and Savings of Oak Park and State Bank of Oak Park. There were 598 state banks in existence on September 5th.

STATE SAVINGS BANK DIVIDEND

George C. Van Tuyl, Jr., state superintendent of banks, has announced the payment of a third dividend to creditors of the State Savings Bank of New York, which closed its doors on December 1st last, following the discovery of a defalcation by John Pucci, the teller.

Two dividends covering 15 per cent in each instance have been paid the creditors, and the present dividend, which is for an additional 10 per cent, provides for a disbursement of \$16,330. The additional payment will bring a total of \$72,536 which has been paid the creditors of the institution. There were filed with the state banking department claims of 1,007 creditors, amounting to \$181,352.

MICHIGAN BANKS MAKE FINE SHOWING

Lansing, Mich.—State Banking Commissioner Doyle has made public his report of the 429 state banks and trust companies operating in the state, at the close of business September 4th. The banks and trust companies show a gain of \$6,487,695.34 in aggregate business since the report of June 14, 1912. This is considered one of the most remarkable showings ever made by state banks and trust compa-

nies, for the time stated, in the history of the state.

State banks show an increase in loans since the report of June 14, 1912, of \$8,417,310.48, and an increase in deposits for the same period of \$6,004,461.47. The total reserve maintained by Michigan state banks and trust companies on September 4, 1912, was \$63,810,562.93, or 19.82 per cent. The total cash reserve amounted to \$21,870,672.44, or 6.79 per cent. The total reserve carried by Michigan state banks is \$12,945,496.61 more than the requirements of the banking law.

"THE HERO AND THE MAN"

From the press of A. C. McClurg & Co. of this city has come a new, compelling western novel. "The Hero and the Man," by L. Curry Morton, takes the reader to the northwest country, shows him how the towns and the country districts are building up under the skilful manipulations of promoters, and how the trail of the political gangster is over every part of the country. The heroine is a young lady who writes remarkable novels, for which she finds it difficult to procure heroes. She makes a small fortune with her first novel, after the fashion of the ladies of fiction, and goes to a small city in the Northwest to spend the summer with an old aunt. Here she meets the most prominent citizen of the town, who is the manager of the land investment and improvement company. He is a fine specimen of American manhood, and the heroine, after struggling with her paper heroes all summer, finally decides that a real man is better than a hero. The ending is as happy as the plot is ingenuous. The whole romance is pleasing and elevating.

NEW BOOK FROM RAND-McNALLY COMPANY

"David Dunne" is the title of a splendid new story by Belle Kanaris Maniates. It is a most unusual plot. There are not many men who, handicapped by being the son of a convict, could attain the governorship of a state. David Dunne accomplished it and won the love of an attractive and beautiful girl as well. But he was no ordinary man as you'll soon see when reading this splendid, big novel that sparkles with humor and throbs with pathos. Published by the Rand-McNally Co., Chicago.

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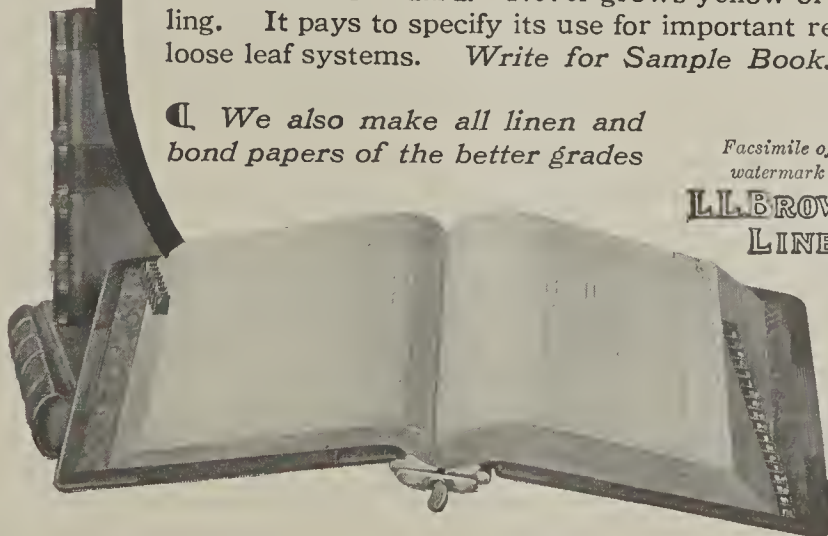
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Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.50 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER, 407 Monadnock Building, Chicago.

PROSPEROUS COLORADO BANKS

Chicago banking acquaintances of G. F. Trotter, assistant cashier of the First National of Pueblo, Colo., are in receipt of statements showing that splendid institution with deposits of \$7,726,000. The First National of Rocky Ford, an affiliated institution, shows deposits of nearly \$200,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

The "Star" paid him some very high compliments. Among other things it said:

"ABBOTT pleaded with his confrères to stop the present method of wildcat banks and not allow every little fly-by-night huckster to hang out a sign stating 'this is a bank,' and thus invite deposits. Abbott is a good man, and one beloved by the gods, and we hope that he will persevere in his efforts until he brings a reform about in these ungodly financiers and continues to keep his lamp set upon a hill where the rays irradiate the surrounding bailiwick."

THORNTON COOKE of Kansas City, in recounting the things which impressed him at the Detroit convention, gave the highest batting average to Joseph Chapman and his special session on agricultural education.

NOW if "the farmer's friend" wishes to do the square thing he will give Thornton a heavy actor's part on the Conference program at the K. C. meeting next year. We believe in reciprocity.

JOHN J. LARGE, Sioux City, was in Chicago Monday, returning to "the job" after a week's stay in New York on business. Says the new shows are fine.

WITH the bank merger off his hands, President R. T. Forbes of the First National and of the Commercial Club, St. Joseph, Mo., is going out after a million dollar industrial fund. Already the club has brought three important new industries to St. Joseph and they like the game.

FORBES is out for the appointment of an agricultural expert for Buchanan county under the state law. We're betting he gets one.

HE was an evil-minded person who led astray the usually correct New York "Financier" and the always amiable "American Banker" of the same city on what actually happened at the Peoria convention of the Illinois Bankers Association.

TO correct the errors in chief made by these two papers it again can be stated that the private bankers did not secede or withdraw from the organization, and that Charles G. Dawes was not present and consequently had no part in the proceedings of the convention.

THE Chicago Private Bankers Association, with one hundred members, is totally distinct and separate from the Country Private Bankers Association of Illinois, with three hundred members. The Chicago association is the one which is in favor of supervision and the country organization is the one opposed to it.

THE situation may be a little confusing to those at a distance, but home people know all about it. There has been no split in the Illinois ranks. These paragraphs are printed mainly to correct erroneous impressions which have gone out about prevailing conditions in Illinois.

THE Old Colony Trust Company of Boston will be justified in putting on airs during the big A. B. A. convention in that city next year. The bank, owing to a recent increase, now has capital stock outstanding to the amount of six millions, with a surplus of eight millions. The profits to shareholders in this sterling institution have been very large.

A HUGE plaster cast of the new Continental and Commercial National Bank building has been set up in the present banking room of that institution. It fully is as large as a

teller's cage and when illuminated from the inside gives a very fair representation of what the new building will be when erected. The plaster cast is upon a large square pedestal surrounded by a brass railing, which is intended to keep the cast free from those who wish to register with a "finger print."

THEY are having quite a time in Baltimore trying to change the constitution of the clearing house, which permits members to extend free collection privileges to customers whose accounts are older than 1897.

THIS provision resembles very much the law which was passed in Pennsylvania to put private bankers under state supervision. Those in business "in one place continuously for seven years" are exempted from filing a bond covering their deposits.

THEY have an unusual bank situation at Morenaville, La. In constructing a new levee at that point it became necessary to destroy the new building of the Avoyelles Bank and Trust Company. An exact duplicate of the present building is being erected on another lot at public expense. The bank authorities did not resist the destruction of their building under the circumstances.

BANKING COMMISSIONER T. J. SMITH has notified state banks in Kentucky that investments in stock in other corporations in the nature of speculations must be disposed of. The banks may hold stock temporarily as collateral only.

MINNEAPOLIS Chamber of Commerce is said to have disciplined a member who attempted to secure additional deposits for his bank by agreeing to divert grain from a line of elevators to certain grain houses. They have a very stringent rule against such deals in Minneapolis.

LIBERTY NATIONAL of New York has been rearranging its officers' quarters, and the results are artistic and satisfactory. President Prosser has had the wall removed which separated his office from the general banking room, so that all of the officers now are in full view of the customers of the bank.

PRESIDENT PROSSER has been making a tour of the Southwest country, and, according to interviews given out, returned a full believer in the soundness of economic and banking conditions. He commented particularly upon the fact that southwest banks in many localities are buying commercial paper, which heretofore has been an unknown transaction at this season of the year.

KELSEY S. CHASE, bank superintendent in Minnesota, is said to be contemplating the establishment of a credit bureau in connection with his department. It would operate along similar lines to that established by Commissioner Van Tuyl of New York. The new department would handle the credit information for 760 state banks.

J. FLETCHER FARRELL has announced it as his belief that present prosperous conditions are to continue throughout 1913. You can lay your bets accordingly!

KANSAS BANKERS ASSOCIATION has gone upon record as endorsing entirely the four years' administration of the state banking department by Commissioner J. N. Dolley. This was brought about by a pernicious political attempt on the part of a few state senators to belittle the accomplishments of Mr. Dolley.

NEARLY every state bankers association in the Union has endorsed Mr. Dolley's "Blue-Sky" proposals, and in several states the new Kansas law on that subject has been

adopted practically as prepared by the commissioner.

THE case of Theodore Roosevelt against the Republican Party for divorce will be tried Nov. 5th. The charge is non-support.

E. D. DURHAM, banker, farmer and general uplifter, finally has become a canning magnate. Rumor has it that a corn canning factory which was taken over down at Onarga, by its creditors—one of whom Durham was which—has proven to be a gold mine.

IT has netted around \$75,000 per year in profits for the past three years. Explains why E. D. has hung out the busy signal at convention time. In time the Durham brand of corn ought to be quite as popular as a certain brand of smoking material.

THEY are advertising a stove over in Indiana which they say "radiates the heat out and down, every part of the floor receiving direct heat waves." Probably this is the original of the "hot air" producers.

FRED ELLSWORTH should get next to the fellow who publicited (new word) this wonderful invention. He could do wonders with a bank ad.

OUT at Winfield, Kan., the First National has been celebrating its fortieth anniversary. It kept open house all day in its splendid new banking room, which was appropriately decorated for the occasion. Refreshments were served. The First has capital and surplus of \$200,000 and deposits of nearly three-quarters of a million. W. C. Robinson is president; R. H. Bradley, cashier, and H. E. Cooper, assistant cashier. The patrons of the bank were invited to bring their entire families, and it is said that most of them did.

AT Mason City, Ia., a change has been in the official line-up of the Iowa State Bank. Recently this institution increased its capital from \$50,000 to \$75,000. J. T. Pickard, who was cashier, has been promoted to the presidency in place of N. C. Kottchell, retired. Mr. Kottchell had administered the affairs of the bank for twelve years.

THE other new officers of the Iowa State are Dr. W. E. Long, who will be vice-president, and H. T. Fuller, cashier. President Pickard, it will be remembered, is a former Illinois banker, and all of his friends will be glad to know that he has made good in Mason City.

NATIONAL CITY BANK of Ottawa, Ill., which has one of the handsomest bank buildings to be found in the state, has installed a chiming clock, which appears to be the talk of the town. It does the Westminster, Reveille and Cathedral peals in clear, vibrant tones that may be heard out upon the street. The young people of the city, and notably the school children, have been much interested in the new installation.

THOMAS D. CATLIN, an honored ex-president of the Illinois Bankers Association, is president of this bank, and Albert F. Schoch and Charles P. Taylor are vice-presidents, Philip G. Schoch is cashier, while James P. Catlin and Edward C. Allen are assistant cashiers. The bank has issued a booklet on "chimes," and the tales they tell, quoting all of the famous inscriptions on great bells of the world, and including a number of popular poems on the subject. The National City has capital of \$100,000 and surplus of \$225,000.

FRANK D. BRUNDAGE has sent out some humorous postal cards of scenes in and around the mines at Scranton, Pa., where he is recuperating. He hopes to be in the ring again in a few weeks.

MEMBERS of the American Bankers Association from all over the country are sending in remonstrances to a certain well-known Chicago daily newspaper for continuing to print objectionable advertisements. The following is a sample of those objected to:

"SAVINGS Bank Depositors—Liberal prices will be paid for accurate lists of savings bank depositors. Replies will be treated in strictest confidence. Address C. B. 297—"

IT is conceivable that such advertising slips into a big, metropolitan daily without examination and inspection. It is not to be believed that the owners of such a paper would allow the publication of offers of bribery to clerks for the betrayal of their employers' business secrets?

THERE probably is no statute in Illinois for reaching either the publisher or the advertiser for thus publically offering a bribe to clerks in savings banks. The savings bank business is regarded as a trust and absolutely confidential. The better banks in Chicago refuse information about depositors, even to members of the same family. It is quite likely that promoters or salesmen of "Blue-Sky" investment securities are behind the advertising. There should be no difficulty in securing an agreement between the principal publications to refuse such advertising.

THE attention of the "administration committee" is called to a syllabus of lectures issued by the United States School for Secretaries, located at 509 Fifth Avenue, New York City. The course treats of "secretarial training," and they guarantee to equip a secretary so as to insure "efficiency, self-reliance, concentration and the study habit."

IF the committee does not have funds in hand, we should like to start a subscription so as to obtain a free scholarship, for the head master guarantees that "it is impossible for a man or a woman to complete the course of study without improving materially." To quote this distinguished professor further, "All secretaries must be business-like and methodical."

IT is the aim of this wonderful instructor to have his pupils "imagine themselves to be secretaries, and actually perform the duties of a secretary." Of course, after graduation the imagination could be dispensed with. Herr Professor guarantees that where a secretary "does not have habits of punctuality and does not show characteristics of cheerfulness and tactfulness, earnestness and enthusiasm in his work," that all of these good qualities shall be imparted. He even guarantees that "bad habits may be overcome."

"THE fact of the matter is," says the lecturer, "that of the men and women who are really capable, 99 per cent, as soon as they reach a salary of \$3,000 a year, acquire a disease called 'swelled head.' They imagine to have reached such a salary they must have learned everything worth learning, and what they do not know isn't worth knowing."

WE have a full copy of Prof. McEwen's lecture on secretarial training, from which all of the foregoing quotations are taken. Anyone interested in the subject beyond these extracts can procure copies from the professor at his address noted above. CASHIER.

NATIONAL BANKS DECREASE EXCESSIVE LOANS

As a result of the warning issued by Comptroller Murray, national banks have been decreasing excessive loans. The call of September 4th showed that but 526 of a total of 7,397 banks had granted loans above the amount allowed by law, a percentage of .71 of 1 per cent, while in June the proportion was 1.15 per cent.

DELEGATES TO DRY FARMING CONGRESS

W. D. Vincent, cashier of the Old National, Spokane, Wash., B. F. Harris, vice-president of the First National, Champaign, Ill., and J. W. Wheeler, vice-president Capital National, St. Paul, have been appointed as delegates to represent the A. B. A. at the seventh International Dry Farming Congress, to be held at Lethbridge, Alberta, Canada, October 19th to 26th. The congress will consist of nine sectional conventions, as follows: Conferences on soils, tillage methods and machinery; crops and crop breeding; agricultural forestry; livestock and dairying; agricultural education; farm management; scientific research; agricultural colleges and experiment stations, and international congress of farm women. A large number of prominent men will deliver addresses. Among those who have accepted the invitation to speak are James J. Hill, W. C. Brown, president of the New York Central Lines, Sir Thomas Shaughnessy, president of the Canadian Pacific, and Governor Edwin L. Norris of Montana. This will be the world's greatest gathering of farmers, and they will predominate on the program. Every nation in the world is interested and has been invited by the government of Canada to send delegates. The congress will be formally opened by the Duke of Connaught, governor-general of Canada, for the government of Great Britain, and the Hon. James Wilson, secretary of agriculture of the United States, as the personal representative of President Taft.

OGDEN AVENUE STATE BANK

Chicago is to have a new bank to be known as the Ogden Avenue State Bank. At a stockholders' meeting recently held, directors were elected as follows: Benjamin J. Glaser, Clyde C. Amsler, Arthur C. Amsler, Michael H. Keefe and William F. Ryan. The directors then elected the following officers: Benjamin J. Glaser, president; Clyde C. Amsler, first vice-president; Michael H. Keefe, second vice-president; Arthur C. Amsler, cashier; Frank R. Curda, assistant cashier. The new institution will take over the business of the Glaser Savings Bank about November 1st, and will occupy the quarters of the latter institution until such time as its new building at 3616-18 Ogden Avenue is completed. The new bank will be capitalized at \$200,000.

EXAMINATION FOR RHODES SCHOLARSHIP

A qualifying examination of all candidates for the Oxford Rhodes scholarship will be held October 15th and 16th in the office of President A. W. Harris at the Northwestern University Building, corner of Lake and Dearborn Streets, Chicago. Applicants will be examined in Latin, Greek and mathematics, and only those who pass in at least Latin and Greek will be eligible for a scholarship. From those candidates who pass this examination a scholar will be selected for Illinois, who will begin work at Oxford in 1913. The candidate must be an unmarried male citizen of the United States with at least five years' domicile; must by October 1, 1913, have passed his nineteenth, but not his twenty-fifth birthday, and have completed at least his sophomore year at some recognized degree-granting university or college. A Rhodes scholar is appointed for a period of three years and receives the sum of fifteen hundred dollars each year.

Candidates are expected to send written application to President Edmund J. James, University of Illinois, Urbana. All candidates will register in person between eight and ten p. m., Monday, October 14th, at the place of examination.



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CAPITAL AND SURPLUS
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ALL BRANCHES OF BANKING

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Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
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Directors United States Steel Corporation
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all the bother
and worry of
counting and
picking up
small coins.

Saves 25% in
time.Prevents
errors.It's
automatic.

Pressing ONLY ONE KEY
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COSTS

less than
5 cents a day
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Requires no
supplies — no
repairs.TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. . . . CHICAGO



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

**THE NATIONAL CITY BANK
OF CHICAGO**

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

OFFICERS

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F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

New Trains to ST. LOUIS

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

**Fourth Street National Bank
OF PHILADELPHIA**

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

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R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

**The Girard National Bank
OF PHILADELPHIA**

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
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Assistant Cashier
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To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

OCTOBER 19, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Indiana Conven- tion

Indiana bankers held their sixteenth annual convention on Wednesday and Thursday of this week in the auditorium of the Claypool Hotel, Indianapolis. The sessions were largely and enthusiastically attended. Numerous representatives of banks in territory contiguous to Indiana were in attendance.

The convention was divided into four sessions, the first of which opened at ten o'clock Wednesday morning, being called to order by President Earl S. Gwin, president of the Second National, New Albany. After the singing of "America," the Rev. M. L. Haines, pastor of the First Presbyterian Church of Indianapolis, delivered the invocation. Alfred Potts welcomed the delegates and visitors in place of former Vice-President Fairbanks who was unable to be present. President Gwin then delivered his annual address, which will be found elsewhere in this edition of THE CHICAGO BANKER. Reports then were heard from the secretary, treasurer and group chairmen.

Secretary Andrew Smith, vice-president of the Indiana National, Indianapolis, reported that the membership of the association has increased during the past year to the extent of fifty-two. The total membership is 803 out of 916 banks. It was regretted that 113 of the banks of the state do not see their way clear to avail themselves of the benefits of membership in the association. The dues of the association are merely nominal, and there is not an investment made by any bank in the state yielding anywhere near the profits that the dues invested in the Indiana Bankers Association are producing. Group 6 has 108 members and 6 non-members; Group 4, 106 members and 7 non-members; Group 7 has 68 members and 9 non-members. Other groups in the state have all the way from 10 to 25 non-members.

Nineteen banks were dropped from the membership roll for non-payment of dues. Much good has been accomplished by the protective department, and burglaries, forgeries, etc., have diminished considerably during the past year. President Gwin has appointed a committee, the purpose of which is to work for passage by the legislature of a negotiable instrument act and a "Blue Sky" law similar to that now in force in Kansas.

Treasurer Hugo C. Rothert, cashier of the Huntingburg Bank, reported the receipt of \$7,533.87, and the expenditure of \$5,905.55, leaving a balance on hand of \$1,628.32. For the protective fund the total receipts amounted to \$2,788.83, and the disbursements to \$1,258.38, leaving a balance on hand of \$1,530.45.

Roger W. Babson, of Wellesley Hills, Mass., in an address which he delivered, stated that many banks do not receive the undivided attention of their officers, directors and employees; that frequently they are engaged in other lines of business, a state of affairs which is bound to operate detrimentally to the interests of the bank. He suggested as a remedy that salaries be sufficiently large to insure this

(Continued on page 7)

Leaders in Indiana Bankers Association



EARL S. GWIN
NEW ALBANY
President Indiana Bankers Association



ANDREW SMITH
INDIANAPOLIS
Secretary Indiana Bankers Association

ILLINOIS TRUST ELECTS CASHIER

At a meeting of the board of directors of the Illinois Trust and Savings Bank held on Thursday of this week, Joseph I. Cooper was elected cashier of the bank to succeed the late B. M. Chattell. He entered the employ of the Illinois Trust twenty-eight years ago as a messenger boy. He was advanced to the position of assistant cashier several years ago, and has been in charge of the collateral loan department for some time.

D. R. FORGAN RETURNS FROM NEW YORK

D. R. Forgan, president of the National City Bank of this city, returned this week from a trip to New York. He says that money is in active demand, but that he does not anticipate any stringency, and that in Chicago and the Middle West generally business is not manifesting much interest in the outcome of the political situation.

CHICAGO BANKERS ATTEND INDIANA CONVENTION

Among Chicago bankers who left this week to attend the sessions of the Indiana bankers' convention were the following: Addison Corneau, of the Central Trust; W. W. Lampert, of the Continental and Commercial; J. G. Wakefield, of the Corn Exchange National; G. H. Wilson, of the Fort Dearborn National; J. F. Hagey and W. Dunscombe, of the First National; A. Coen and W. S. Nitz, of the Colonial Trust; Charles Fasset, of the Chicago

Savings Bank and Trust Company, and G. A. Ryther, of the Live Stock Exchange National.

INVESTMENT BANKERS ASSOCIATION IN NEW QUARTERS

The Investment Bankers Association of America, of which George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, is president, and Frederick R. Fenton, of Devitt, Tremble & Co., Chicago, is secretary, is now in its new offices at 111 West Monroe Street.

NORTHERN TRUST BUYER OF COMMERCIAL PAPER

Announcement is made that the Northern Trust Company of this city has been investing its slack funds in high grade commercial paper. Formerly the bank made loans only on collateral. Byron L. Smith, is president, says that the departure has proven quite satisfactory.

CONTINENTAL STOCK AT HIGH FIGURE

Stock of the Continental and Commercial National Bank showed considerable strength during the past week, sales having been made at as high as \$310 per share.

GEORGE M. REYNOLDS ON VACATION

George M. Reynolds, president of the Continental and Commercial National, is in Atlantic City, where he will remain until November 1st.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON	-	President
JAMES E. NICHOLS	-	Vice-President
ROLLIN P. GRANT	- -	Vice-President
WILLIS G. NASH	- -	Vice-President
BENJ. F. WERNER	- -	Vice-President
CHARLES H. IMHOFF	- -	Vice-President
EMIL KLEIN	- -	Vice-President
HARRY E. WARD	- - -	Cashier
D. H. G. PENNY	- - -	Assistant Cashier
RICHARD J. FAUST, JR.,	- - -	Assistant Cashier
J. FRANKLYN BOUKER	- - -	Assistant Cashier
SAMUEL REDFERN	- - -	Assistant Cashier

Mainly About Banks and Bankers

HARRY G. LINDOW, a well-known bond salesman, has gone with the Hanchett Bond Co., in the New York Life Building. The firm specializes in municipals.

THE administrative committee which met on Monday timed it nicely to be in at the Cub-Sox finish.

J. H. INGWERSEN, president of the Peoples Trust and Savings Bank at Clinton, Ia., says it looks like a Wilson delegation to him. The republican vote in Iowa will divide almost even, as it now appears.

D. R. FORGAN told the New York inter-viewers last week: "Conditions in our section are good, but I would hardly call business booming, except in the case of steel and one or two other industries. Generally speaking, however, the volume of all kinds of business being transacted is highly satisfactory. I find a slight tendency among business men to begin to hold back, lest tariff revision under Wilson, if he should be elected, might prove a disturbing feature."

CENTRAL NATIONAL, St. Louis, has suspended dividends pending the building up of the surplus account.

IF James J. Hill sets out to improve the deposits of his newly acquired bank as he set out to improve farming conditions in the Northwest—well, Minneapolis boys "had better watch out."

G. DERNIT is a down-state private banker who is suspected of profanity every time he gives his name over the long distance.

HENRY W. YATES, dean of the Omaha bankers, is an out-and-out Wilson man. He has been voting republican for four presidential elections. He says the country is full of men who will welcome the chance to return to the democratic fold this year.

DAVENPORT has a new savings bank—"The Northwest Savings." Iowa is in the business of starting new banks to care for her crop money. Nothing like her present prosperity in years.

BANKERS out there all buying six-cylinder cars.

W. D. VINCENT of Spokane has been named as a "dry" farmer delegate to Lethbridge. That doesn't mean that it's a prohibitionist meeting, however.

GEOERGE WOODRUFF is "back in Joliet."

EVERY other calling has been holding a "cost congress" but the busy banker. There may yet be banks which do not know what deposits cost them. Some employees are costly, too. Far beyond the pay-roll figures.

GEOERGE M. REYNOLDS has gone to Atlantic City for a two-weeks' outing.

WHEN you first read about the Chicago city council going to supervise private banking you probably thought it a joke. But it wasn't.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

Will Buy a Bank

An experienced Illinois banker will purchase substantial interest or control of either State or National bank in territory tributary to Chicago. Answers in confidence. Abundant references. Prompt replies. Address

B. B., Care of Chicago Banker
407 Monadnock Block CHICAGO

SAFE FOR SALE

Modern Mosler Bank Safe with triple time locks

Address, **J. D. WOOD**
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BACKED by a legal opinion, the council has named a committee to investigate and prepare a plan. W. T. Abbott, of the Central Trust, who drew up the Dawes committee report, likely will be called into consultation.

H. S. ZIMMERMAN and W. B. Lewis, of Mellon National, Pittsburgh, have been in New York attending a reunion of their table-mates on the Panama trip, taken after the New Orleans trip last year.

DID you notice it? The "round robin" monthly had another painfully little squeak in its last issue about the council action at Detroit. There are issues and things which are dead and don't know it.

THE A. B. A. administrative committee will very likely meet in St. Louis next month instead of in New York, as has been usual. This will be convenient to Mr. Huttig as well as to Chairman Davis, of Cincinnati, and Vice-President Arthur Reynolds, of Des Moines. Important business will come up. General Secretary Farnsworth will attend, of course.

FORGOT to tell you above that G. M. Reynolds' address at Atlantic City is care of The Marlborough-Blenheim. You might want to send him a picture postal or to tell him of the arrival of your new baby.

MACFADDEN is to be out with his new-born "North Dakota Banker" shortly. As an editor he is said to bear his honors modestly, and this will give you a near view of what a fine fellow he is. He writes:

"**I** WANT to thank you for the 'kind words' with reference to the proposed 'North Dakota Banker,' and want to assure you that without THE CHICAGO BANKER and a pair of shears the 'North Dakota Banker' would not get very far. I have put you on our mailing list and the first issue will come along very soon."

A THREE-COLUMN picture of "J. Medill McCormick entering the hospital" is among the small afflictions of the Chicago dailies. Do you wonder at crime?

THEN the "moose" papers and enthusiasts tell us "it was newspaper abuse which caused the shooting at Milwaukee." The man who did it says he shot the Colonel "because he (the Colonel) called the President a thief" in all of his public addresses. Different angles of view.

MISS FRANCES JENKINS OLCOTT, whose long experience in children's libraries has established her reputation as an authority, is preparing a book which will be called "The Children's Reading." Though written most concisely, Miss Olcott finds that the work will be much longer than at first planned, and its publication will be delayed until some time in November. The publishers, Houghton Mifflin Company, are enthusiastic about the material in the book and believe it will fill a great need to parents, librarians and teachers.

S. W. STRAUS & CO., of Chicago, have leased the entire fifth floor of the "One Wall Street" building for a term of years. The location is ideal. The building is directly on the corner of Wall Street and Broadway, opposite Trinity, New York, and distant only two blocks from the United States subtreasury. It is close on one hand to the great monied institutions of Wall and Nassau streets, and on the other, to the great tide of traffic that constantly surges up and down Broadway.

WARE & LELAND comment on the wonderful strength of American securities on the eve of the Balkan war. Having with-

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

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EMIL STUEDLI, Assistant Cashier
W. F. DOCKETT, Assistant Cashier

LANDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
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WM. J. FELDMANN, Assistant Cashier

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EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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JAMES M. HURST, Asst. Cashier
W. S. BISHOP, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

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CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

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LETTERS OF CREDIT ISSUED

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Edward A. Shedd
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has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

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THE LIVE STOCK Exchange National BANK OF CHICAGO

President Earl S. Gwin to Indiana Bankers

Great activity has been shown in the work of the association during the past year and the results are gratifying. The membership has increased. The protective department, constantly growing in importance, has many notable achievements to its credit. New fields of endeavor, calculated to broaden the scope of our work and strengthen the influence of the association and its members, have been taken up. This will be discussed more fully later and our secretary's report will detail the events of the past year.

I could not fully review the year's work without expressing my admiration for the loyalty, energy and efficiency of our genial secretary. No one has done more for the success of this association than Andrew Smith. In handling the routine work and details of the office, Miss McDaniel, assistant secretary, has shown signal ability and is entitled to much credit. Mr. Webster, our employed detective, has been thorough in his work and shown remarkable skill in running down criminals and securing their conviction.

Group Meetings

It was my privilege to attend all the meetings of the eight groups this year. The attendance, the interest and enthusiasm of those present was gratifying indeed. In these group meetings where neighbors whose problems and interests are similar meet, the best work of the association can be accomplished. I hope to see this group feature grow in favor until every bank in Indiana is a member of the association.

Tribute to Lindsey and Martin

Within the year two of our prominent members have passed away. Chas. T. Lindsey died suddenly, at his home in South Bend, soon after our last convention. He was one of the organizers and the second president of the association. His deep interest in the work of the association continued to his death. Never absent from a convention, and always an earnest worker, we loved and relied upon him.

Frank Martin, unanimously chosen vice-president last year, would have been advanced to the presidency at this meeting. Always active in the work of the association, he would have adorned the office and justified the confidence reposed in him. Taken in the prime of life, young, filled with energy and with a bright future, his death was indeed a calamity.

The banking fraternity has suffered a distinct loss in the death of each of these gentlemen and the committee on resolutions is asked to prepare, and present at the proper time, suitable resolutions of respect to be adopted and spread upon our minutes.

At Indianapolis convention he pays high compliments to secretary Andrew Smith and his assistant. Credits group system with good influence. Approves agricultural development work. Tells why bankers have lost influence with legislature. Wants monetary legislation on non-partisan lines

Agricultural Development

This association has grown steadily and from time to time has added features to its work that have been of practical benefit to banks and bankers of Indiana until now it is one of the largest and most important associations in the country. It has served the banks of this state well, and few realize the good it is really accomplishing. There is nothing in the history of this association that requires an apology; on the contrary, its record is one of which to be proud. Yet, we are coming to realize that our work has been somewhat too selfish. Your council of administration is of the opinion that the time has come when we should enlarge the scope of our work and undertake things that will justify existence from the standpoint of the public. That it should, as an organization, manifest an interest in the commercial and agricultural affairs of the state. With this in view, a committee was appointed on agricultural development. This subject is occupying the attention of most progressive state associations. The work along this line undertaken by the Illinois association has attracted wide attention. We are to be favored at this meeting with an address by B. F. Harris, ex-president of the Illinois Bankers Association, who is one of the best informed men in this country on the subject.

Your association was represented by Mr. Bonner, of Greensburg, at the second annual convention of Bankers Committees on Agricultural Development and Education, held in Minneapolis in August. While not entering upon this movement as early as some associations, it is our aim to place Indiana in the front rank in this great work, and I am informed by Mr. Chapman that Indiana gave a good account of itself at the Minneapolis meeting. A report of the committee will be submitted to the convention this afternoon. As evidence of the belief of the officers of your association in the importance of this question, an entire session of this convention is given over to a discussion of the subject. May I urge upon all of you to attend this session and in so far as possible take part in the discussion, led by Mr. Chapman of Minneapolis, that will follow Mr. Harris' address.

Furthermore, a resolution will be presented amending the constitution by providing for a standing committee upon agricultural development and education. This amendment has the unanimous endorsement of the council of administration and I sincerely hope will be adopted by the convention.

Legislation

The biennial session of the Indiana legislature begins next January. Bankers have two important interests in legislation: First—the prevention of enactment of vicious laws, adversely affecting banking interests. Second—in securing the enactment of such laws as will tend to improve conditions and raise the standards of banking, and other laws in the interest of the general welfare of our citizens. Endorsement of legislation by our association should be an aid to the adoption of right measures, but unfortunately the contrary is true. It is a crying shame that a sentiment prevails throughout the state of Indiana and manifests itself in the legislature that the mere fact of the banks favoring certain bills means their certain death. As a matter of fact, the standing of the bankers and the bankers association in this state should be such that they would be consulted and their advice sought in matters of legislation affecting banking and commercial interests. This is true in Missouri where the association works hand in hand with the legislature.

It is unhappily true that our bankers too often take a purely selfish view of public matters. And it is not to be wondered that their influence amounts to little or worse in the halls of legislation when their actions on certain occasions are considered. For instance, the position taken by a large number of banks on the question of the Public Depository law was indefensible. In this they showed clearly, as they have in other important questions affecting the public welfare, that their motives were mercenary and selfish. If the banker is to occupy the influential position to which he is entitled he must take a broader view of things and think from a higher level.

With a view to anticipating and correcting public opinion, a legislative committee has been appointed to consider in advance such measures as should be advocated by our association. It is the judgment of this committee that we should not undertake too large a program nor confine our activities to measures in which the bankers are directly interested. A circular letter to every bank in the state sets forth the views of this committee and mentions two bills in particular which should receive the endorsement of the bankers; namely, the negotiable instruments bill, and a bill that will be known as the "Blue



NATIONAL BANK OF COMMERCE IN NEW YORK
is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON - SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

OFFICERS
F. H. FRIES
President
JAS. A. GRAY
Vice-Pres.
H. F. SIAFFNER
V.-Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

Sky Law," patterned after the Kansas law which has attracted so much favorable attention and comment.

We bankers can do much toward dissipating the prejudice that exists to a far greater extent than it should, by devoting some time and attention to measures of this kind and to legislation on the subject of agriculture, good roads, etc. Let the farmer and the merchant understand that we are interested in the things in which they are vitally interested. Let us establish a closer relationship between the farmer and the merchant with the bank.

Monetary Legislation

We are still in the fight for monetary legislation. While perhaps not all clear as to the plan, every thinking banker in this country recognizes the necessity for remedial legislation that will tend to modernize and render more efficient our present antiquated and unscientific banking and currency system which has so poorly served the commercial interests of this great nation. The subject is particularly important at this time. There is every evidence that we are entering upon an era of great prosperity. The banking and currency system of this country is not ready for the expansion of business which now seems near at hand. If business begins to expand rapidly we may find ourselves in the grip of a most tremendous crisis. It is highly important that merchants, farmers and manufacturers should begin to study this question and seriously consider its importance as relating to their welfare and prosperity. Unfortunately, outside of the economists and a few bankers, there is nobody who has given the subject sufficient study to expound it intelligently.

I quite agree with an eminent citizen who said recently in a public address, "The country is jealous of the bankers—I think jealous of some bankers with just cause—and it won't trust them or take their advice. Nobody believes in economists." The work of the National Citizens League along the line of educating the public without advocating or endorsing any particular plan, studiously avoiding the injection of party politics into the question, is most commendable and has better prospects of securing results than any movement yet undertaken. They have wisely organized outside of the banking fraternity and are properly styled "Citizens League."

Having little faith in the influence of the banker in legislative matters and recognizing that the advocacy of a currency measure by bankers does not tend to popularize the movement, I believe that the duty that falls upon us in this important matter is for each individual banker to quietly and earnestly talk

with his friends and clients at home; show the merchant, manufacturer and farmer that their interests are more vitally affected than are the banks. Get them interested and ask them to talk to their representative in congress. When congress realizes that the public is interested in this subject, something will be accomplished. They cannot withstand the general demand for legislation when the demand comes from all sections and from all parties. When this and kindred questions shall have been definitely and rightly settled, then, and not until then, will the life of the banker be ideal.

ILLINOIS POSTAL BANKS LEAD

Illinois postal savings banks lead those in all other states in the per capita amount of deposits, which is about \$96. There has been deposited by 20,000 persons, \$1,922,000. In Chicago, where three-fifths of the depositors of the state reside, the average deposit is \$101.

A NEW NOVEL BY "M. F."

"M. F." author of "The Journal of a Recluse," has brought out another story entitled "Kirstie," and published by the Thomas P. Crowell Company, New York. It is his second attempt in the field of fiction and shows the same skilled treatment and reserve power

which made the first story famous. This story of a charming woman, who attracts to herself the love of two men, but whose own love is given to the one who is already bound by ties of marriage, is suited for novel readers who enjoy keen character studies as well as an interesting plot. The heroine is a trained nurse, whose professional engagements bring her into close contact with a young doctor. The girl falls desperately in love with the man, but the latter, more sophisticated and worldly wise, though really returning the girl's love, seeks out for himself a wealthy wife. The course of time and irony of fate take the girl as a nurse to the house of the young doctor and his wife. Years, alas! have not cooled the ardor of their passion, but, on the contrary, increased it. It is here that the real story begins, with the working out of complications due to the peculiarities of the quite oblivious wife and the entrance on the scene of another wooer of Kirstie, the nurse. The latter's successful resistance to the temptations held out by her almost overpowering love, the discovery by the wronged wife of her husband's feeling for another woman, and the unraveling of tangled threads in the lives of several minor characters form a fascinating romance. The course of the story carries the heroine from Chicago to Quebec and thence abroad. Especially entertaining are the descriptions of Italian scenes.

BANK SUPERVISION COMMITTEE APPOINTED

The judiciary committee of the Chicago city council has appointed a sub-committee consisting of Aldermen Hazen, Mayer and McInerney, the purpose being to investigate and report on private banks in Chicago, looking to the passage of an ordinance placing them under the supervision and control of the city. Bankers will be called before this sub-committee. An opinion recently was rendered by the corporation counsel in which the belief was expressed that the city has power to exercise this control.

LOUISIANA BANK DEPOSITS UP

Shreveport, La.—Resources of the 212 state banking institutions of Louisiana for the quarter ending September 4th aggregated \$117,901,478, an increase of \$1,614,785 over the corresponding quarter of last year, according to the report of State Examiner Young, just issued here. Individual savings deposits increased \$769,914, and bills payable, due largely to money borrowed for handling crops, increased nearly \$2,000,000.

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

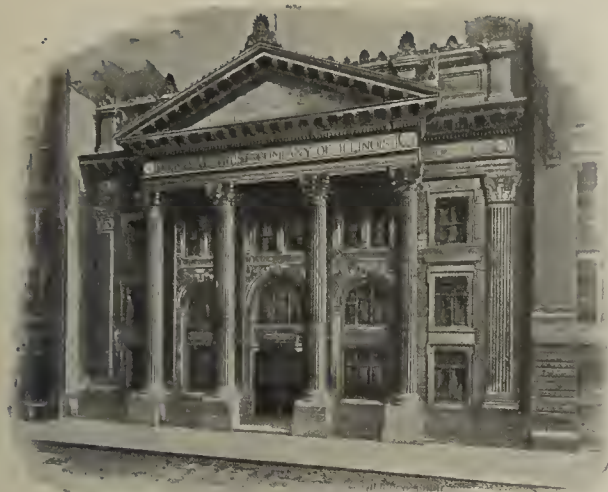
Capital and Surplus - \$23,000,000.00
Deposits - \$176,000,000

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals



125 West Monroe Street
CHICAGO

INDIANA CONVENTION

(Continued from page 1)

undivided attention, and advocated the charging of a premium in the case of loans which are of a somewhat doubtful character, which would enable the banks to pay larger salaries. He believes that this premium should vary all the way from 1 to 3 per cent on a sixty-day loan.

Wednesday afternoon was devoted to agricultural subjects. B. F. Harris, ex-president of the Illinois Bankers Association, delivered an address on this subject, and Joseph Chapman, Jr., of Minneapolis, led a general discussion along these lines.

Thursday morning addresses were delivered by E. St. Elmo Lewis of the Burroughs Adding Machine Company, whose subject was "Advertising to the Man in the Mirror;" Harry A. Wheeler, vice-president of the Union Trust Company of Chicago, on a central bureau of information, and Dick Miller, of Miller & Co., Indianapolis, on the Kansas "Blue Sky" law. Mr. Miller's remarks will be found in full elsewhere in this number.

The trust company section held its meeting at two o'clock on Thursday. Invocation was delivered by the Rev. Joshua Stansfield, D.D., pastor of Meridian Street M. E. Church. President Joseph E. Kelley, cashier of the Peoples Bank and Trust Company, Mt. Vernon, told of the remarkable growth of trust companies and of the useful service they are rendering the public. This growth and development, however, has not been brought about without encountering opposition. Mr. Kelley stated it as his opinion that the general banking business which is being conducted successfully by trust companies in the smaller cities is absolutely essential to their existence, as there is not sufficient trust business to support them in the smaller places. He stated that the laws of the state are such as to insure absolute safety to the public. W. H. O'Brien, auditor of the state of Indiana, told of some observations on bank examinations, and the Hon. Robert W. Bonyne, of Denver, talked on banking reform. The entertainment provided by the local bankers was of the highest order, and was greatly enjoyed by those in attendance. Wednesday evening a theatre party was given for the delegates and visitors, and on Thursday evening an informal group dinner for ladies and gentlemen was held at the German House, followed by high class vaudeville. The entertainment committee consisted

of Messrs. Stalnaker, Quick and Shepard, of Indianapolis, and W. G. Gude, of Lafayette. These gentlemen are to be congratulated for the efficient work which they did.

Secretary Smith and the program committee deserve great praise for what they did towards making the convention an unqualified success.

Impressive and Instructive Address by Mr. Harris

B. F. Harris, ex-president of the Illinois Bankers Association, who has been quite active in the movement for improved agricultural methods and conditions, and in the education of the youth along these lines, and who has made addresses on these subjects at several of the important bankers' conventions held this year, talked along the same lines at Indianapolis. Quoting an ancient Chinese philosopher, he likened the welfare of the people to a great tree with agriculture as its roots, and pointed out the potential influence which it bears on the economic and social development of the people. He believes that our system of development, however, is all wrong and that we are building from the top down. In banking, for instance, we have established a wonderful system of units, but the system is weak when the stress comes, because we have no logical currency system to make the tremendous banking assets—reserves and credits—mobile and available. In the matter of education, we have good colleges and universities,

but comparatively few avail themselves of the opportunities and privileges which they afford. The agricultural processes employed by our farmers are not such as to insure the best results, and during recent years our products have increased in price but not in quantity. The American farmer is at a standstill, and until such time as a readjustment of methods and conditions is made, the country will be compelled to submit to the present unsatisfactory state of affairs. An important factor in the much-talked-of "high cost of living," is the fact that the country's demand greatly exceeds the supply, which is attributed to the astonishing increase in our urban population and a corresponding decrease in the rural population, the unscientific methods of farming and the lack of education along these lines. Our imports are increasing to an alarming extent. We export our natural resources and then buy them back in finished form at greatly increased prices, a practice which cannot but act detrimentally to our welfare and prosperity. During the past fifteen years the cost of living in this country has increased 40 per cent, while abroad it has advanced but 13 per cent. He believes that too much time and energy are devoted to grain farming and that more attention should be paid to the raising of live stock and to dairying. Then, again, we have an inadequate system of financing the farmer. Some steps should be taken to remedy this trouble by adopting in the United States some of the European systems of agricultural credit, so far as they are applicable to our needs. The lack of education in the United States is so marked as to be appalling. Statistics show that but one out of three pupils finishes the eighth grade; but one in five enters the high school and only one in thirty finishes the course. A great many of the American youths of to-day are not prepared to take their places as contributors to the country's welfare and prosperity. By the establishment of education along agricultural and vocational lines, this condition would be obviated and the general prosperity and welfare of our people greatly enhanced. Mr. Harris told of the work which is being done in Illinois in this respect, and of the prominent part which the Illinois Bankers Association has taken in the movement. Efforts are being made to have our legislature enact such remedial educational legislation as will be calculated better to promote our ability as producers, and enable the state to turn out citizens

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free of charge upon request.

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CHICAGO BOARD OF TRADE

CHICAGO STOCK EXCHANGE

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital	-	\$2,000,000
Surplus and Profits,	700,000	
Deposits	-	31,000,000

WM. A. TILDEN, President
 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
 THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus, \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

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EDWARD TILDEN - President
 JOHN FLETCHER, Vice-President
 GEO. M. BENEDICT - Cashier
 J. C. MORRISON, Assistant Cashier
 H. P. GATES - Assistant Cashier

Directors

EDWARD TILDEN
 AVERILL TILDEN
 L. B. PATTERSON
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 WM. C. CUMMINGS



McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
 Circulars on application

105 South La Salle Street

CHICAGO

WHEN YOUR BANK BUYS SECURITIES

why not use a house of established reputation that can give you prompt and efficient service, coupled with conservatism and discrimination in selecting its offerings? Banks and bankers will find our Investment Department ready to send on request statistical information, quotations and offerings.

Knauth-Nachod & Kühne

INTERNATIONAL BANKERS

New York · Leipzig

who will be well equipped to aid the country in its fight for the acquisition of commercial supremacy. Mr. Harris also told of the urgent need for good roads and of their great value, not only to the farmer, but to the banker and the general public as well. He believes that the present road laws of the state of Illinois are grossly inadequate and antiquated, and that they should be revised. He advocated federal, state and local aid in the building of improved roads.

Joseph Chapman Addresses Convention

Joseph Chapman of Minneapolis congratulated the bankers on the consolidated rural school system, and advocated making the teaching of agriculture in rural schools compulsory and that more emphasis should be placed on efforts for efficiency in the home. G. I. Christie of the agricultural school of Purdue University blamed the school system for the tendency on the part of the boys and girls to leave the farms and go to the cities.

E. St. Elmo Lewis Talks on Advertising

E. St. Elmo Lewis, advertising manager of the Burroughs Adding Machine Company, Detroit, gave the bankers a practical talk on advertising. He said that the banker who undertakes to interest the small dealer in banking is not only of more use to the community but also increases his own business materially.

Among the Entertainment Features

On Tuesday evening members of the executive council and ex-presidents of the association held a dinner at the German House. The ex-presidents club chose H. C. Johnson as president and W. W. Bonner, secretary. On Wednesday evening, G. H. Mueller, vice-presi-

dent of the Fletcher-American, Indianapolis, was the host at a dinner at the Columbia Club for the representatives of the larger banks in territory contiguous to Indiana.

There were about 500 bankers present at the convention and everything went off according to schedule.

Forreston, Ill., is to have a new bank, which will be known as the Commercial State Bank. The capital stock of the new institution is to be \$30,000. Incorporators are Dr. W. W. Overfield, Martin Eakle, Henry Spelman and Albert O. Kaney.



E. ST. ELMO LEWIS
 Detroit, Michigan

LITTLE ROCK CLEARINGS UP

Advices received from Little Rock, Ark., are to the effect that bank clearings in that city reached a high-water mark this week in \$840,388 for one day. According to Manager Pollock, this is the highest figure ever reached since the organization of the Little Rock Clearing House Association eight years ago. The large increase is attributed to the receipts of cotton, which for the past few days of the present season show 31,000 bales in that city, as against 16,000 for the corresponding period of last season. The highest figure ever reached before was when the report of the Clearing House Association for one day was about \$600,000.

AGRICULTURAL SCHOOL FOR CHICAGO

Mrs. Ella Flagg Young, general superintendent of schools, Chicago, has been requested by the board of education to ascertain through her offices whether or not there exists a demand for an agricultural school in Chicago and to report to the board the result of her investigation. It is proposed to locate the school on the quarter section of land owned by the board of education at 48th Avenue and 12th Street. The purpose is to promote interest in agriculture among the children and ultimately to reduce the increased cost of living. It is believed that the report will recommend the establishment of such a school.

Noble, Okla.—The Farmers State Bank has been organized with the following officers: W. D. Milam, president; C. Greemore, vice-president and J. R. Stogner, cashier.

This announcement will appear in this paper once only.

We have underwritten

\$10,000,000

Six Per Cent. Cumulative Preferred Stock of

Utilities Improvement Company

and we offer

**\$1,000 Preferred
\$400 Common } For \$1,000 Cash**

Subscriptions are payable 20 per cent. in cash and balance not more than 20 per cent. per month, but deferred payments may be anticipated *at any time*.

Dividends will be paid from date of issue at the rate of six per cent. on the Preferred stock and two per cent. on the Common stock.

It is expected that the dividend rate on the Common stock will be increased one per cent. each year until six per cent. is reached.

One-half of the above total amount has been sold to our European correspondents for distribution abroad.

Subscriptions will be received until noon, Saturday, October 26th, 1912.

Telegrams of inquiry may be sent at our expense.

Application may be made through your Banker or Broker,
or direct to

Henry L. Doherty & Company

Bankers

Sixty Wall Street

New York

INDIANA BANKERS ELECT OFFICERS

At its convention in Indianapolis this week the Indiana Bankers Association elected the following officers for the ensuing year: J. L. McCulloch of Marion, president; M. S. Sonntag of Evansville, vice-president; Andrew Smith of Indianapolis, secretary; Claude S. Kitterman of Cambridge City, treasurer. The trust company section elected officers as follows: President, B. C. Bowman of Muncie; first vice-president, W. P. Breen of Fort Wayne; second vice-president, B. F. Thiebaud, Connersville; secretary, E. H. Forry, Indianapolis; treasurer, Fred K. Shepard of Indianapolis. Members of the executive committee for three years were elected as follows: Samuel Leeper, South Bend; Ross H. Wallace, Indianapolis and E. E. Farmer, Bedford.

Resolutions Adopted

Resolutions were adopted providing for the appointment of a committee on agricultural and vocational training and favoring an amendment to the national banking law which will permit banks to loan money on mortgages.

BYRON L. SMITH RETURNS FROM EAST

Byron L. Smith, president of the Northern Trust Company of this city, recently has returned from a motor trip through the New England states.

LOANS BEING MADE AT 6 PER CENT

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company, says that most of the loans being made now are at 6 per cent, although there is some attractive commercial paper going at $5\frac{3}{4}$ per cent. The crop movement is being handled without any difficulty. Mr. Hulbert says that the money outlook is a comfortable one.

CHICAGO'S VISITORS

Among the out-of-town bankers who were in Chicago this week were H. Fleishhacker, president of the Anglo and London Paris National, San Francisco, who stopped in the city on his way to New York; W. P. Manley, president of the Security National, Sioux City, Ia.; Arthur Reynolds, president of the Des Moines National; Joseph Chapman, vice-president Northwestern National, Minneapolis; J. D. Phillips, Green Valley, president Illinois Bankers Association; Col. J. S. Aisthorpe, president First Bank and Trust Company, Cairo, chair-

man of the executive council, Illinois Bankers Association; S. B. Montgomery, president State Savings Loan and Trust Company, Quincy, Ill., vice-president Illinois Bankers Association, and Joseph H. Ingwersen, president Peoples Trust and Savings, Clinton, Ia.

CHICAGO CHAPTER, A. I. B.

Captain P. D. O'Brien of the second district, Chicago Police Department, will lecture before the American Institute of Banking at their regular meeting Tuesday evening, October 22d, at Assembly Hall, Northwestern University Building. The lecture will be preceded by songs and a monologue by W. J. Doherty of the Continental and Commercial National, Mr. Lachman assisting at the piano.

AGRICULTURIST FOR C., B. & Q.

Announcement has been made by the management of the C., B. & Q. of the appointment of John B. Lamson as agriculturist. Mr. Lamson is a graduate of the Ames (Ia.) Agricultural College. This position was recently created. It will be the aim of Mr. Lamson to assist agriculturists along lines of scientific farming.

C. E. Olstad, cashier of the First National of Madison, S. D., was transacting business in Sioux City Friday.

POSITION WANTED

Want position as Assistant Cashier in town of 15,000 up. Single man with twelve years experience in a state bank. At present cashier of small state bank but relations are not pleasant. Highest references from present employers. Am especially adapted to meet the people and get business as I took my present bank and doubled it in one year. Address,

X. O., Care Chicago Banker



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

In every detail the facilities of the Chicago Savings Bank and Trust Company are complete for serving efficiently banks and bankers. Active and inactive accounts invited.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President	OFFICERS WM. M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary	JOHN C. ARMSTRONG, Asst. Secretary F. O. BIRNEY, Asst. Secretary WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The annual meeting of the Building Association League of Illinois, recently held in Chicago, was attended by a large number of building and loan secretaries and other officers from down-state. This phase of the banking business is a most important one, and many Illinois banks are very closely identified with the associations in their home communities. In some towns almost every bank is the depository of a building association and the banks are as a rule very closely interested in the success of their work.

The local associations, that is, those which loan their money on real estate in the home community at a very conservative valuation and protected by mortgage, holding of abstracts and insurance, are doing great good for the laboring and other employed people of the towns. Besides, the opportunity is offered for persons of small investing ability to make weekly or monthly payments into a sound proposition, and in almost every community there are many men who have secured their start in the world in some phase of the work of a local building and loan association. Maturing time, or the season when the stock of the associations close, is a most important time in the financial life of many Illinois communities, and there are many transactions which are always awaiting the maturing of stock in the home building and loan associations.

Death of Moline Banker

Former Judge John M. Gould, one of the pioneer bankers of Moline, is dead. Mr. Gould was one of the earliest citizens of Moline and was a former associate of John Deere, the millionaire plow manufacturer. Mr. Gould was ninety years of age and his death was a result of apoplexy. He organized the first bank in Moline and was its president for thirty-seven years. He came to Moline in 1848, and during the succeeding decades witnessed economic changes in the city and state which were almost miraculous. Mr. Gould was an honored citizen of Moline and his death, removing an old-time banker of the pioneer days, is most keenly regretted by the younger bankers and business men of the Tri-Cities.

New Bank in Southern Illinois Town

Willisville, on the Mobile and Ohio railroad,

northwest of Murphysboro, is to have its first bank this fall, the Farmers and Citizens Bank to begin business very soon.

Peoria Gets Another Railroad

Peoria, which has already an unusually large number of railroads entering the city, will have a new line when a branch of the Frisco, known as the Eastern Illinois and Peoria railroad, is completed from St. Elmo into that city. The new line will be a northern extension of the Chicago and Eastern Illinois and will give the Frisco system a Peoria entrance. Grading of the new road will be started within a few weeks.

Death of William Leisy of Peoria

Bankers who attended the Illinois Bankers Association convention recently held in Peoria will be interested in the death of William Leisy, a prominent Peoria brewer, business, and sporting man, inasmuch as he was one of the owners of the Jefferson Hotel where the headquarters of the convention were maintained, and also a part owner of the Orpheum Theatre where the program of the convention was carried out.

State Aid Asked for Roads

Jesse Taylor of Ohio, who addressed the recent convention of the Illinois Bankers Association at Peoria on the question of good roads, and State Engineer Johnson of Springfield were the principal speakers at the Illinois branch of the Ocean-to-Ocean Good Roads Association which held its annual meeting at

Highland, near East St. Louis. Resolutions were adopted indorsing the rebuilding of the old historic National Road across the state, and demanding state aid in the building of country roads.

Large Mortgage Filed

The Chicago and Alton Railroad Company has filed in the recorder's office in each county traversed by its lines in Illinois a copy of a \$20,000,000 mortgage covering all the property of the company and secured by twenty-year gold bonds maturing July 1, 1933. The mortgage is in favor of the United States Mortgage and Trust Company and E. E. Swinney, trustee.

Merritt and Koplin Grow

I. E. Merritt, president of the Hoopeston National, and well known to Illinois bankers, and Mark R. Koplin, cashier of the same bank, report a steady increase in the deposits of that institution, which now total \$419,011. The bank started business as a national institution June 1, 1909, and there has been a satisfactory increase in deposits since that date. Messrs. Merritt and Koplin are both national and private bankers, as they own and operate private banks at Buckley and Danforth, in Iroquois county, as well as managing a national institution in Hoopeston. Mr. Koplin's father was a pioneer Illinois private banker at

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
ACCOUNTS AND COLLECTIONS SOLICITED		

GUARDIAN TRUST COMPANY OF NEW YORK	
Invites the accounts of banks, trust companies, corporations and individuals	
EDWARD F. CLARK, President	
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Commercial Paper	
137 South La Salle Street	Chicago
Correspondence Invited	

MOLINE ILLINOIS	Peoples Savings Bank & Trust Co. Capital and Surplus \$400,000.00 Deposits over \$3,200,000.00 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.	MOLINE ILLINOIS
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Fidelity and Forgery BONDS Burglary Insurance	National Surety Company ILLINOIS ADVISORY BOARD Charles G. Dawes, Resident Vice-President John A. Spoor, David R. Forgan, Resident Directors A. J. Earling John S. Runnells Walter H. Wilson S. M. Felton George M. Reynolds	Joyce & Company (Incorporated) General Agents The Rookery Chicago
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THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA. 427 CHESTNUT STREET

Capital	-	-	-	\$2,000,000.00
Surplus and Profits				1,468,000.00
Deposits	-	-	-	15,397,000.00
ORGANIZED JANUARY 17, 1807				
Dividends Paid	-			\$13,267,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

CONSERVATIVE INVESTMENTS

To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. ¶ No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. ¶ Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. ¶ Write for *The Investors Magazine*, published twice a month.

SEND FOR SPECIAL CIRCULAR No. 50

S. W. STRAUS & Co.
INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.



Buckley. Mr. Merritt has served on various committee of the Illinois Bankers Association and is a well-known convention-goer.

Night Shift in First of Joliet

The First National of Joliet, having a large transit department, has been using a night shift for a number of months with the greatest of satisfaction. The night force handles most of the transit items, the letters being held open until time for their proper trains and then mailed direct at the railroad stations. The night force also opens all incoming bank mail and when the day force arrives the mountain of inbound and outbound transit items has been already handled. The First of Joliet is making a specialty of bank accounts and there are an increasing number of banks in Illinois and adjoining states which use that institution as a clearing-point.

Illinois Railroad Ordered Sold

Judge Humphrey, presiding in the United States district court at Springfield, has signed a decree ordering the Chicago, Peoria and St. Louis railroad to be sold by a special master-in-chancery at the freight house in Springfield, some time before January 1, 1913, the exact date to be decided later. The Equitable Trust Company holds \$2,000,000 of second mortgage bonds of the railroad, and the Sangamon Loan and Trust Company of Springfield is acting as trustee in the case. The case was brought by the Equitable Trust Company.

The road will be purchased by a new company, representing the former bondholders, and a plan of reorganization is being worked out which will reduce the indebtedness of the road. The Colonial Trust Company of New York holds a first mortgage on the road for \$4,400,000. The road taps a rich portion of Illinois, and with reorganization will doubtless become a paying property.

Honor and Thrift Rewarded

William B. McKinley, president of the Illinois Traction Company, and candidate for re-election as congressman in the nineteenth Illinois district, has presented \$13,000 to the trustees of the University of Illinois to be used as a nucleus of a loan fund for needy students. For fifteen years Mr. McKinley has made personal loans to worthy University of Illinois students, and in that time, without secured notes, has not lost one cent of either principal or interest. No security will be required for

these new loans other than a record for honesty and thrift on the part of the student. A high testimonial is thus paid to many of the future citizens of the nation who can complete their education on money borrowed on their own credit, which is nothing more than their individual merit and honesty.

Illinois Notes

Diller S. Myers, of the Pontiac State Bank, was recently married to Miss Ann Louise Allen of that city.

Down-state railroads report greatly increased freight traffic, September being much larger than the corresponding month in 1911, while August, 1912, was a record-breaker. The Illinois Central and the Big Four lines report very heavy traffic, and the various railroads over the state are busily engaged in getting grain cars in shape to move the tremendous corn crop which is soon to be gathered.

The Illinois Savings and Trust Company, mortgage bankers of Bloomington, is doing a large and rapidly increasing business in various banking lines, although a commercial banking business is not transacted. Farm and city loans, abstracts of title, insurance and savings banking are among the activities of the company, which was organized about a year ago. C. M. Harlan is the president and H. W. Mason is the cashier.

The deposits in the postal savings bank of Decatur for the fiscal year just closed reached a total of \$9,603.

The Central Illinois Traction Company of Mattoon has certified to the secretary of state for an increase in its capital stock from \$1,500,000 to \$2,000,000. A few weeks ago the capital was raised from \$250,000 to the former amount, and there are rumors that the company will consolidate many electric power plants in the central part of the state.

The Chicago, Burlington and Quincy Railroad is aiding in promoting the agricultural resources of the state in offering \$200 to be used in awarding premiums to winners in contests for fall and spring agricultural work in those sections of Illinois traversed by their lines. The work is carried on under the auspices of the National Boys and Girls Club movement.

The Swedish-American State Bank is being organized by men associated with the Sheridan Trust and Savings Bank of Chicago. The new bank will have capital of \$200,000 and a surplus of \$20,000, the stock being offered to the investing public at \$110 a share. The bank will be located at the corner of North Clark Street and Balmoral Avenue, Chicago.

CHICAGO BANK ADOPTS FINGER PRINT SYSTEM

Peoples Stockyards State Bank of this city has adopted the Flak finger print system of identification. The impression of the three middle fingers of the depositor is made on the back of the filing card kept by the bank. By this system forgeries are rendered practically impossible, as no two finger prints out of seven million are alike. It will prove especially valuable in the case of illiterate persons. The argument advanced in favor of its adoption is that signatures change, while finger prints do not. This method of identification has been endorsed by the American Bankers Association. It was first installed in New York in the German Savings Bank of Brooklyn, and nine other banks of that city are using it, while in Albany it is in use by every bank in the city. P. A. Flak of New York City, originator of the system, has installed it in more than fifty-two banks throughout the country in two years. Mr. Flak expects to install it in several other Chicago banks before he leaves the city.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.
661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

That Milwaukee is on a fair way to increasing its importance as a grain center is indicated by recent compilations of Secretary Harry A. Plumb of the Chamber of Commerce, which show grain handled through the exchange during September to be 1,159,560 bushels in excess of that handled in September, 1911. During September, 1912, the Chicago, Milwaukee and St. Paul road carried 4,423,670 bushels, as against 3,846,520 bushels the year before, while the Chicago and North Western road carried 2,693,630 bushels, as compared with 1,941,930 last year. Reasons advanced for the increase are readjustment of freight rates to meet competition with northern great lake ports and improvement in cross lake routes from this city.

Capt. Robert W. Mueller Retires From Banking

Capt. Robert W. Mueller, dean of Milwaukee bank clerks, severed a forty-years' connection with Milwaukee banks this week by retiring as paying teller of the First National. Mr. Mueller entered the German Exchange Bank in 1871, and later was associated with the Bank of Commerce and Merchants Exchange Bank. When the latter was absorbed by the First National he became a member of the staff of the purchasing institution in whose employ he remained. Capt. Mueller was as prominent in military circles in Milwaukee as in his profession, having captained Troop A, Wisconsin National Guard, for the past twelve years, during which time he

rounded the organization into one of the crack troupes of the National Guard. His retirement from this office as well as from the bank went into effect this week. He leaves for California, where he will spend the winter, returning to Milwaukee next June.

At a farewell banquet given in his honor at the Hotel Pfister, by officers and fellow employees of the First National, Capt. Mueller was presented with a watch chain and fob, set with diamonds. The speakers included President Fred Vogel, Jr.; Henry Kloes, cashier; A. W. Bogk and Oscar Kasten, assistant cashiers; R. H. Bechler, Alexander Wall, George Doehler, Ira Parker, Ernest Conrad, Harold Dreher, James E. Moore, John E. Jones, and Rudolph Pfeil. Members of Troop A were hosts at a farewell banquet in the armory Saturday night.

Purchase Bonds

The First Savings and Trust Company, Milwaukee, and the Harris Trust and Savings Bank, Chicago, have jointly purchased \$220,000, par value, of Milwaukee county, 4½ per cent bonds, dated October 12, 1912, and maturing each year from 1913 to 1932.

Death of Former Wisconsin Banker

News of the death of Sherburn Merrill Smith, former Milwaukee banker, by accidental shooting in Wendell, Idaho, was received in Milwaukee this week. Mr. Smith was the grandson of former Governor William E. Smith, and was employed in the Marshall and

Ilsey Bank for several years prior to 1909, when he went west to recuperate his health. At the time of his death he was president of the Wendell State Bank, whose employ he entered shortly after going west, as cashier. No details of the accident have been learned as yet.

Purchase Burlington Company

The North American Company, owners of the Milwaukee Electric Railway and Light Company, increased its Wisconsin holdings this week by the purchase of the Burlington Electric Light and Power Company at Burlington, Wis. The newly acquired property will be operated in connection with the Milwaukee concern.

Wisconsin Central Has Prosperous Year

The past year has been the most successful in the history of the Wisconsin Central road, according to the report made by the directors to the stockholders at the annual meeting of the Soo line subsidiary in Milwaukee this week. The gross earnings were \$26,684,240.93; operating expenses, \$16,223,291.02; and net earnings, \$10,460,949.91, notwithstanding the fact that the grain crop last season was much below an average yield. The average mileage operated was 3,773.37, an increase of 49.03 miles. No changes were made in the directorate.

Allis-Chalmers Affairs Improved

Improvement in the affairs of the Allis-Chalmers Company is shown in the report of



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

111 Broadway
New York

88 PEARL STREET, BOSTON

405 Dorchester St., W.
Montreal

Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

the reorganization committee issued this week. The report shows that the average monthly orders booked in the last three months exceeds those billed for the five months previous by 64 per cent. Otto H. Falk, receiver, also reports that overhead, administration, and selling expenses have been reduced by an average of about \$40,000 a month.

Celebrates Thirtieth Year with Bank

H. D. L. Adkins this week celebrated the thirtieth anniversary of his entering the service of the First National Bank of Elkhorn, of which he is now cashier. During that time he has held every position in the bank, from that of messenger to his present office, and has worked under three presidents, C. W. Wiswell, J. L. Edwards and C. P. Greene. He has seen the bank's deposits grow from \$165,000

in 1882 to \$550,000 in 1912. Henry Adkins, Mr. Adkins' grandfather, was one of the bank's first officers, becoming cashier on its organization in 1865.

Wisconsin Notes

The State Bank of Elkhorn has purchased property in the center of the downtown business section, upon which it will erect a new banking house next year.

Calvin S. Schwenker of La Crosse has been appointed state bank examiner by State Banking Commissioner A. E. Kuolt.

The incorporation of the following banks was authorized by the banking commissioner this week. Farmers and Merchants Bank of Greenwood, capital \$30,000; president, Charles Cornelius; cashier, John Huntzicker; Bank of Siren, capital, \$10,000; president, Harry D. Baker; cashier, J. E. Spangberg.

A report emanates from Racine that a \$300,000 loan and trust company is in process of organization in that city, capital stock to be held by local business men.

Detectives in the employ of the Wisconsin Bankers Association are investigating the recent robbery of the Bank of Wauzeka, the first robbery of the kind reported to the association this year. Safeblowers secured \$1,000 and made their escape.

A private bank of Escanaba, Mich., known as the Bank of D. Hammell & Son, and consisting of David Hammell, Appleton, Wis., and W. F. Hammell, Gladstone, Mich., has made voluntary assignment, naming I. N. Bushong, general manager of the Northwestern Coopersage Lumber Company, as assignee.

GEORGE A. HELD IN TOWN

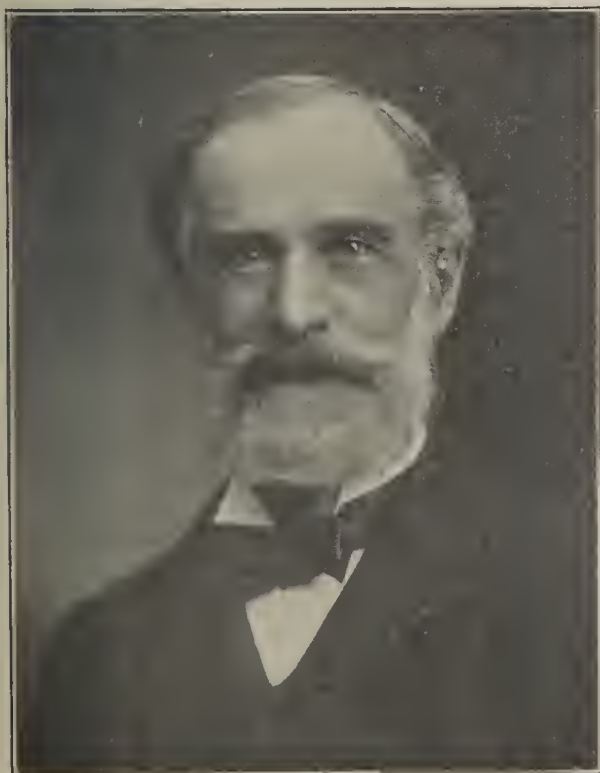
George A. Held, cashier of the International Bank of St. Louis, spent a few hours in Chicago Tuesday on his way up to Wisconsin, where he will enjoy a two-weeks' hunt.

CHICAGO BANKERS ATTEND STATE FAIR

Quite a number of Chicago bankers were included in the delegation representing the Chicago Association of Commerce at the state fair at Springfield last week. Addison Corneau represented the Central Trust Company of Illinois. Mr. Corneau formerly was connected with the Ridgley National Bank of Springfield and enjoys a wide acquaintance in the state capital.

DANIEL A. CAMPBELL HONORED

Postmaster D. A. Campbell of Chicago has been elected president of the Illinois Postmasters Association. Next year's convention will be held at Springfield.



VOLNEY T. MALOTT
Indianapolis

Chairman of the Board of Directors, Indiana National



FRANK D. STALNAKER
Indianapolis
President Indiana National



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Oct. 17th.—The past week was marked with a continued excellent demand for credits from all sources in the St. Louis market. Shipments of currency to Arkansas were very heavy, but the movement north of the currency shipment zone indicates nearing of the end of the movement. Another feature of the week's banking operations was the return of goodly sums from Texas, Oklahoma and Louisiana. This repayment represents mainly cotton loans, and its earliness is a surprise to the local banking fraternity, and in a measure a disappointment. There are certain bankers who did not expect the first money back from Texas before October 20th, and some placed the date at October 30th, so that the premature arrival of funds is upsetting calculations in some degree. One bank president expressed the belief that as a result there would be a return of much easier money before the first of the year, as reserves will be larger, and competition among lenders greater. On the other hand, it is maintained that the increased commercial demand and borrowing by railroads will more than offset the return flow, and that no appreciable lowering in rates will occur until logically due in the late winter. This latter view is sincerely hoped for, and seems reasonable. There were offerings of commercial paper from the East throughout the week, and there were numerous excellent names bearing 6 per cent. The local demand holds up in splendid shape, and bids fair to continue to do so for some weeks to come. Wholesale houses and manufacturers are out with most optimistic estimates of fall business. There is no doubt that certain lines, notably dry goods, shoes and hardware, will show heavier totals than ever before. Country orders in many instances are being enlarged, and the government crop report has gone far to stimulate the return of confidence in all directions. Clearings are showing up fairly well, though it is likely the total for October will fall slightly under the corresponding period a year ago, but the year's total will surpass all previous records. Relative to the return flow from the Southwest there is this to say: This first materialization is largely representative of forced first sales of products, that portion with which planters pay their pressing and current debts, while the disposition to hold back will probably bring the average time of the movement down to the time expected. Cotton in certain localities will be held, and broomcorn, maize and other crops will be kept in the country for higher prices, though the arrival of said higher prices is extremely problematical.

Kenefick is Optimistic

William Kenefick, president of the Missouri,

Oklahoma and Gulf Railway, who passed through St. Louis this week, says that no one in the territory fed by his road is pessimistic. "Railroads in the Southwest were never busier," he said, "business was never more brisk and the outlook never more promising. The cotton crop in the Southwest, particularly in Oklahoma, is way ahead of last year. The recent spell of warm weather has rounded out the largest yield of that staple in the new state's history. Compresses are running full time and all the available space is piled high with bales awaiting shipment. The railroads lack cars sufficient to handle the traffic. In addition to the heavy cotton crop traffic, coal is in big demand and the movement abnormally heavy. Our inhabitants are so busy they haven't time for politics. Never before in my experience have business men paid so little attention to politics. The foundation is laid by the present crop season for a long era of activity, and we are certainly going to have our share of it in the Southwest."

Off to Group Meetings

The season of group meetings is at hand, and St. Louis banks intend to be more largely represented at the various gatherings than ever before. Early in the week, representatives of fourteen local banks and trust companies, accompanied by bankers from Chicago and other cities, departed in a special car over the Missouri Pacific for Kansas City, St. Joseph, Hannibal and Brookfield to attend meetings of groups of the Missouri Bankers Association at those points. The Kansas City meeting was held on Wednesday, the Hannibal meeting on Thursday, and the Brookfield meeting on Friday. The car was scheduled to return to St. Louis Saturday and be taken out again next week for the following meetings: Jefferson City, October 22d; Lexington, October 23d; Eldorado Springs, October 24th; Springfield, October 29th; Neosho, October 30th and Charleston, November 8th.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

Personnel of Delegation

Among those forming the itinerant party are: R. R. Calkins, St. Joseph, president; J. B. Jenkins, Moberly, vice-president, and W. F. Keyser, Sedalia, secretary of the Missouri Bankers Association; R. S. Hawes, vice-president Third National; E. B. Clare-Avery, Merchants Laclede National; A. O. Wilson, vice-president State National; E. C. Stewart, M. A. Taylor, Boatmens Bank; L. W. Fricke, R. W. Stumpe, E. G. Stockton, J. F. Farrell, W. B. Taylor, George R. Baker, and C. L. Boye, all of St. Louis; R. E. Gamble, W. L. McKee, W. A. Jackson, R. F. Newhall, Chicago; J. Thralls, Clement Chase, C. C. Jones, and C. C. Jordan, Kansas City.

To Feature Agricultural Movement

W. C. Gordon, of Marshall, Mo., chairman of the Committee on Agricultural Development of the Missouri Bankers Association, will speak at all the group meetings in behalf of the movement which has to do with the increase in farm yields of the state. This committee, since its formation at the last convention at Springfield, has worked wonders, and has the co-operation of farmers and agriculturists throughout the state. Mr. Gordon is prepared to present something in the form of definite plans, which his committee, in conjunction with the agricultural department of the Missouri State University, has worked out. Bankers throughout Missouri have entered enthusiastically into the movement, which will doubtless be productive of material benefits in the near future. Besides plans for specific production of crops, the committee is working on a system for facilitating the financing of farms and farm operations.

Project an Active Winter

The local chapter has planned a winter of great activity, with education the keynote in the program. As an indication of its confidence and appreciation of the work being done by the St. Louis Chapter, the St. Louis Clearing House Association has made a donation of \$500 toward its treasury fund. This will be used in forwarding the work. A goodly number of new members has been enrolled since the last meeting, which with visitors, made Tuesday's gathering one of the largest and most successful in the history of the chapter.

Love Feast for Moser

The St. Louis Chapter of the American Institute of Banking opened up its season's activities on Tuesday night with a sort of love feast for Byron W. Moser, former president of the chapter and now president of the Institute. While there were some excellent talks scheduled, the real feature was the ova-

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000
 Surplus and Profits (earned) 2,270,000
 Deposits, over - - - 25,500,000

OFFICERS

L. A. GODDARD, President

HENRY A. HAUGAN, Vice-President

HENRY S. HENSCHEN, Cashier

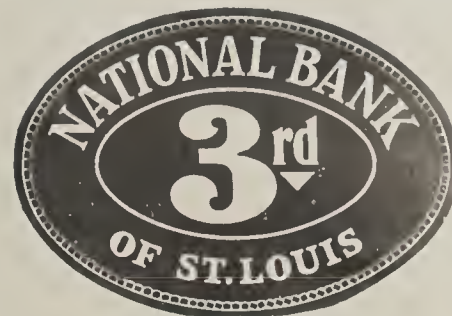
FRANK I. PACKARD, Asst. Cashier

C. EDWARD CARLSON, Asst. Cashier

SAMUEL E. KNECHT, Secretary

WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



Capital
\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

Officers

C. H. HUTTIG, President

F. O. WATTS, Vice-Pres.

T. WRIGHT, Vice-Pres.

R. S. HAWES, Vice-Pres.

G. W. GALBREATH, Vice-Pres.

J. R. COOKE, Cashier

D'A. P. COOKE, Asst. Cash.

H. HAILL, Asst. Cash.

E. C. STUART, Asst. Cash.

tion to Mr. Moser. He was the hero of the occasion, and was duly honored and lauded by his fellow members. The meeting was at the Mercantile Club, where the chapter will hold all its important gatherings this season. Saunders Norvell spoke on "St. Louis, City of Opportunities;" the Reverend H. H. Lichliter on "Specialism and Efficiency;" William McChesney Martin on "The New Year of 1912-13," and to E. B. Clare-Avery was assigned the congenial subject, "Byron W. Moser."

German-American Bank

Considerable interest in local financial circles centers upon the successor of William P. Kennett, former president of that institution, who died last week. Mr. Kennett had been head of the bank since 1910, at which time he was promoted from the vice-presidency. He was a native of St. Louis, and received his education in St. Louis public schools and Washington University. Prior to his connection with the German-American Bank he was a member of the firm of Francis Brother & Company.

Oklahoma Yegg Captured

Advices from Oklahoma City are to the effect that for the third time within the last three years the State Bank of Prue, Oklahoma, was robbed this week. On the last occasion, a masked robber walked in at 9 o'clock in the morning and compelled J. H. Danner to hand over \$2,000 of the bank's cash. The robber did not fare as well as the others, however, as he was seen leaving the town, by a farmer whose horse he had previously "borrowed." The farmer went in pursuit with a shotgun, and after a race of eight miles, the thief was overtaken and captured. When caught, the robber still had the \$2,000 in his pockets.

NEW OFFICIALS FOR SAN ANTONIO BANK

State Bank and Trust Company of San Antonio, Texas, announces under date of October 1st, the appointment of George D. Campbell, formerly state bank examiner, as cashier, succeeding J. H. Hailie, who has been advanced to the position of vice-president. W. W. Collier, the former vice-president, has been obliged to retire on account of illness.

Noble, Ky.—Charles Greenmore, of Lexington, has obtained a charter for a state bank.

"A FINANCIAL COURTSHIP"

Frank West Rollins, president of E. H. Rollins and Sons, with offices in Boston, New York, Philadelphia, Chicago, Denver, San Francisco and Los Angeles, is the author of a little book entitled, "A Financial Courtship," the purpose of which is to initiate women into some of the mysteries of finance, and in which a plea is made for conservative investment. The story is of two sisters left alone in the world by the death of their father, provision being made for their maintenance and support by life insurance to the extent of \$50,000 and the house in which they lived. As is so often the case, they were absolutely ignorant of matters pertaining to financial affairs, and to add to their perplexity, had no male relative or friend to whom they could go for advice and assistance. However, they finally thought of a lawyer in their town who had large interests, and with whom Mary, the younger sister, had a slight acquaintance. The lawyer proved to be quite willing to render assistance, probably as a result of a more than usual interest which he felt in the younger girl. It finally was arranged that Mr. Stanley, the attorney, was to call at the residence of his prospective pupils, and to impart to them some of the fundamental information relating to investments. In the course of instruction the promiscuous use of the word "bank" by unscrupulous individuals and the sale of "Blue Sky" securities by fake promoters is sharply criticized. Investments for women were rated in the following order: First, municipal bonds; second, first mortgage corporation bonds; third, real estate mortgages; fourth, state bonds; fifth, government bonds, and sixth, high-grade dividend-paying stocks. It was pointed out that very little skill and judgment are required in the purchase of the first, as they generally are safe for the reason that the credit of municipalities is carefully guarded by the courts. The second class, however, requires more care and study, and inquiry and investigation should be made of the character and stability of the cor-

poration issuing the bonds. It also is desirable to consider the diversity of its business field. The third class requires the skill and experience of a good business man; the fourth calls for a study of the present debt and past history of the state; the fifth requires no skill, simply money, and the sixth, careful study of the corporation, history, present status and future prospects. Government bonds are not recommended as an investment for the reason that they fluctuate tremendously at times, and in addition the income yielded is quite small when compared with some other forms of investment. They are classed as "the height of luxury in investment, the pate de foie gras of the world of wealth," and the belief expressed that they are decidedly ill-adapted to the needs of men and women who live on their income. In purchasing municipal bonds it is desirable to ascertain whether or not the object for which they are issued is one which will benefit all the people alike or only a certain portion of them. The following is found in regard to stocks: "My advice would be either to buy the most conservative, best-established, high-priced stocks, or let stocks alone. Undoubtedly the safest course is for a woman to confine herself to bonds and mortgages. She stands less risk of loss, for she is nearer the base of the financial pyramid. While she will not share in the great advances, she does not take the risk of the big losses." Speaking of investments in real estate, the author says: "It is well to keep in mind that although well located land may appreciate in value, the buildings on it constantly depreciate in value unless money is expended on their upkeep. Consequently a real estate investment as a whole will depreciate in value, unless the increase in land value at least equals the depreciation of physical property thereon constructed."

The whole story is clearly and lucidly told; the phraseology is such that even a child could understand, and the work of Mr. Rollins will form a valuable contribution to financial literature. As might be expected, the course of lessons culminates in the marriage of the attorney to Mary, the younger sister.

During September twenty national banks were licensed to do business. Combined capital amounts to \$1,030,000. This makes a total of 7,422 national banks with an aggregate capital of \$1,056,775,435.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

Editorial Comment

GROWTH OF MONOPOLISTIC TRUSTS

The growth of monopolistic combinations in recent years has been so appalling as to call for drastic corrective measures. Many trusts and pools are grossly overcapitalized, a very large proportion of the excess being water. By this means they are enabled to represent to the public that they are making a small 6 or 7 per cent on their capital, whereas they really are earning a much larger dividend. The country needs an administration which will do more than institute prosecutions; it wants an administration which will carry to a conclusion all suits which may be started, and which will drive all monopolies and illegal combinations out of business and keep them out. Before election, candidates for office are very profuse with their promises to the people, but after they are elected they seem to have a slight change of heart, develop habits of procrastination and lose some of the enthusiasm and aggressiveness which were so prominent when they were running for office.

When Theodore Roosevelt, "the panacea for all the country's ills," first succeeded to the presidency, there were comparatively few illegal trusts in existence. When he turned the reins of government over to his successor there were thousands, and they have been growing in number ever since. Surely it may be doubted if he is the man to remedy the situation now? How could he render disinterested service to the country when he accepts campaign contributions from such men as Morgan, Perkins, Frick, Munsey and others? The country wants a man who will not be trying to serve two masters,—one who genuinely has the best interests of the people at heart and one who will do something more than talk. The people in this world who are worth while are those who produce results.

The Sherman anti-trust law was not placed on the statute books as a joke; its purpose is to stamp out monopolistic corporations. The value of a law is measured by the degree of compliance. If the law of this country is to mean anything and is to be respected, it must be enforced strictly, and every violator, be he large or small, should be subjected to its penalty. No manufacturer of harvesters should have immunity and no steel combine should be above the law.

PRIVATES INCORPORATING RAPIDLY

It was in 1907 that agitation in the state of Illinois for universal bank supervision first began to attract attention. Previous to that time numerous far-seeing private bankers had converted their institutions into state or national banks. Some of them did so for the reason that they felt apprehensive about the public attitude toward unsupervised banking. Others became incorporated that they might the better and more safely transmit the

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

management of the bank in a more stable form to sons or other heirs. In a few cases incorporation became a matter of business on account of strong rivalry in the same or nearby towns. For the past two years the agitation in favor of bank supervision has been carried on very systematically under the leadership of a number of prominent bankers throughout the state. B. F. Harris as president of the Illinois Bankers Association did all that lay within his power to put that organization on record as favoring bank supervision. We are not ready to believe that it failed entirely on its merits as a question, but that many persons voted against supervision who actually believe in it, and many of whom are connected with incorporated banks. A large number of the better class of private bankers believe that state supervision is bound to come, and they wish that it may come about, not at the hands of their fellow-bankers nor through the action of the state association to which they have been contributing members, but rather that it should come about as the act of the legislature, after a careful investigation of the subject and the holding of public hearings where all may appear who are interested. Following is a complete list of private banks which have been converted to state institutions since 1907. It is a long list and shows conclusively that progress has been made even without compulsory or drastic legislation.

State Bank of Allerton, Allerton.
Greber State Bank, Argenta.
First State Bank, Beecher City.
First State Bank, Bensenville.
Huston Banking Company, Blandinsville.
Buffalo Bank, Buffalo.
Carrollton Bank, Carrollton.
Citizens State Bank, Champaign.
Greenebaum Sons Bank and Trust Co., Chicago.
Harris Trust and Savings Bank, Chicago.
Home Bank and Trust Company, Chicago.
Lawndale State Bank, Chicago.
Northwest State Bank, Chicago.
West Englewood Bank, Chicago.
Croninger State Bank, Cisco.
The John Warner Bank, Clinton.
Citizens State Bank, Creal Springs.
Dahlgren State Bank, Dahlgren.
Jacob Haish State Bank, DeKalb.
First Bank and Trust Company, DuQuoin.
State Bank of Eddyville, Eddyville.
Elizabeth State Bank, Elizabeth.

Flat Rock Bank, Flat Rock.
Forreston State Bank, Forreston.
Gilman State and Savings Bank, Gilman.
Farmers State Bank, Glasford.
First State Bank, Harvard.
Hudson State Bank, Hudson.
Newlin State Bank, Hutsonville.
Iuka State Bank, Iuka.
Exchange State Bank, Lanark.
State Bank of LaPlace, LaPlace.
State Bank of Latham, Latham.
J. Keenan's Bank, LeRoy.
Cloud State Bank, McLeansboro.
First State Bank, Millington.
Bank of Modesto, Modesto.
Minier State Bank, Nebo.
First State Bank, New Grand Chain.
State Bank of Odell, Odell.
First State Bank, Ohio.
Peoples State Bank, Orangeville.
Eaton State Bank, Owaneco.
Farmers State Bank, Palestine.
Palmer State Bank, Palmer.
Paxton State Bank, Paxton.
Pecatonica State Bank, Pecatonica.
Murphy-Wall State Bank and Trust Company, Pickneyville.
First State Bank, Plano.
Roodhouse Bank, Roodhouse.
State Bank of Saunemin, Saunemin.
State Bank of Scotia, Scotia.
State Bank of Shannon, Shannon.
Bank of St. Augustine, St. Augustine.
State Bank of Steeleville, Steeleville.
Farmers and Merchants State Bank, Sumner.
Troy Exchange Bank, Troy.
Marshall County State Bank, Varna.
State Bank of Virden, Virden.
Farmers and Merchants State Bank, Virden.
Waterman State Bank, Waterman.
State Trust and Savings Bank, West Chicago.
First State Bank Company, Williamsfield.
Farmers State Bank, Medora.

Many of Illinois' best known private banks have been converted to national banks. A list of those so converted does not appear in this column. All of those mentioned above are now under state supervision.

APPROVES AGRICULTURAL CREDIT PLAN

President Taft, in a letter addressed to the governors of the various states, expresses it as his opinion that the recommendations contained in reports submitted by Ambassador Myron T. Herrick and others engaged in the study of European methods of financing the farmer, are adaptable to the needs of the United States. He favors the co-operative credit plan as set forth in the organization of the Raiffeisen banks of Germany, but believes that the establishment and conduct of such banks are matters for state control. He also suggests land-mortgage banks under state charters and the formation of co-operative mortgage-bond societies along the lines of the *Landschaften* of Germany, provided that their organization and operation can be governed by uniform state legislation; also the establishment of national land-mortgage banks un-



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. **Q** Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. **Q** Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

der government supervision, with the power to guarantee and market the guaranteed debenture bonds of the state land-mortgage banks or co-operative societies.

The president expresses it as his belief that one of the causes of the high cost of living is the large expense the farmer is compelled to incur in producing his crops. With commissions and renewal charges, the average rate of interest paid by the farmers of this country is $8\frac{1}{2}$ per cent, as compared with from $3\frac{1}{2}$ to $4\frac{1}{2}$ per cent paid by the French and German farmers. Governors are invited to confer with the president at Washington at the next annual conference of governors, for the purpose of considering the adoption in the United States of an agricultural credit system.

GOVERNOR DENEEN'S REPLY

Governor Deneen is the latest addition to the Ananias Club. It is charged by the governor that Mr. Roosevelt conceded to him that the contest claims of but thirty-four of the seventy-eight alleged stolen delegates to the Chicago convention were bona fide. Of course, if the colonel were to admit this to be true, he would not have much standing with the people, so he characteristically calls Governor Deneen a prevaricator. The motion relating to the seventy-eight delegates was introduced by Governor Hadley. Mr. Deneen simply offered a resolution recommending that the motion be referred to the committee on credentials and that none of the delegates whose right to a seat in the convention was questioned by the motion be allowed to vote on the selection of members of the credentials committee. Neither Governor Deneen nor anybody else is placed in a "dilemma," for Governor Hadley in presenting the motion stated that he did not know whether or not the charges contained therein were true, but that they should be passed upon by the convention. In an address made by the ex-president on June 20th to his delegates and advisers, and which is quoted by Deneen in his reply, it is quite apparent that the colonel had reference to the motion which he had asked the governor to make and which related to but thirty-four delegates, but which he did not know had been changed on the convention floor by his managers.

It is difficult to see where Governor Deneen

has done anything to merit the abuse which has been heaped upon him by Mr. Roosevelt. He simply introduced an amendment to the motion relating to the seventy-eight delegates, and refused to change Governor Hadley's motion without first consulting with him. His reply to the colonel carries conviction in every line. He uses the logic of a trained attorney, fully armed with the facts and has placed the colonel in a truly indefensible position. The episode will make Governor Deneen thousands of votes.

PIERSON QUILTS IRVING NATIONAL

New York, Oct. 15th.—Lewis E. Pierson has resigned as president of the Irving National Bank to enter the firm of Austin, Nichols & Co., wholesale grocers. Mr. Pierson, however, will continue a director of the bank and be chairman of its executive committee. Mr. Pierson is a director of the Broadway Trust Company and a trustee of the Irving Savings institution. The Irving National Bank, during his connection with it since 1898, has grown from an institution of \$2,000,000 resources to one with resources totaling over \$50,000,000.

Austin, Nichols & Co. announce that Mr. Pierson has taken the interest of Thomas W. Ormiston in their firm. Mr. Ormiston, on account of ill health, is retiring from business after thirty-three years of active life with this house. The members of the firm of Austin, Nichols & Co. are: James E. Nichols (special partner); Thomas W. Ormiston, Thomas M. McCarthy, Harry Balfe, Walter B. Timms, James C. Mahlen and Louis C. Owens. The

firm is the largest wholesale grocery house in the country. It will shortly move to the Brooklyn waterfront in order to improve its shipping facilities.

DOHERTY OFFERS NEW UTILITY COMPANY STOCK

Henry L. Doherty & Co. are offering \$10,000,000 preferred stock of the Utilities Improvement Company, on the basis of \$1,000 preferred and \$400 common stock for \$1,000 in cash. This is the new company which this firm has just organized and has a total capitalization of \$40,000,000, of which amount \$25,000,000 is 6 per cent cumulative preferred and \$15,000,000 common stock. The amount to be outstanding at once of each issue is \$10,000,000. The firm announces that one-half of the present \$10,000,000 offering is being taken by the same London interests who a short time ago purchased the preferred stock of the Cities Service Company and stock of the Consolidated Cities Light, Power and Traction Company. It will be recalled that, when Messrs. Doherty & Co. offered the stocks of the above-mentioned companies, they were largely oversubscribed.

The new company has been formed to take over the following properties: Toledo Light and Railways Company (Ohio); Danbury and Bethel Gas and Electric Light Company (Ct.); Brantford Gas Company, Limited (Ontario); Woodstock Gas Company, Limited (Ontario); Athens Railway and Electric Company (Georgia); Coshocton District Gas and Fuel Company (Ohio); Bartlesville Gas Electric and Railway Company (Okla.); Empire Gas and Fuel Company (Kan., Mo. and Okla.); \$2,800,000 6-year 7 per cent notes of the Southwestern Reserve Gas Company.

According to compilations by Doherty & Co., the new company in 1913 will earn 6.2 per cent on its common stock; in 1914, 8.2 per cent, and in 1915, 10.7 per cent. It is proposed to pay 2 per cent dividends on the common stock during the first year, which rate will be increased 1 per cent per annum until 6 per cent a year is paid.

MEDIA (ILL.) STATE BANK

Media (Ill.) State Bank is in the heart of a purely agricultural and stock raising country. At the last call of the state auditor this bank showed capital and surplus of \$100,000 and deposits of around \$200,000. C. R. Pendarvis, cashier, served on the committee on agricultural and vocational education last year and is greatly interested in improving the wagon roads of Illinois. The Henderson county district is in the level black prairie section and experiences heavy roads during the bad season.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. **Q** Your account carried on the books of a solid, conservative bank adds prestige to your name. **Q** Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Andrew Russel Bankers Favorite for State Treasurer

"If you know of a thing that will darken
the joy
Of a man or a woman, a girl or a boy,
That will wipe out a smile, or the least way
annoy
A fellow, or cause any gladness to cloy,
It's a pretty good plan to forget it."

who understand such things say that he gave
a wonderfully successful and competent ad-
ministration of that office.

The verse which appears above is one of
three printed on the reverse side of Mr. Rus-
sel's campaign cards. It gives a fair idea of
his personal character and throws some light

ticket, as well as by the state ticket headed by
Governor Charles S. Deneen.

There is a reason, of course, why Mr. Rus-
sel's administration of the treasurer's office
was so clean and successful. He has been a
prosperous banker for more than two-thirds
of his life-time. He was born in Jacksonville,
June 17, 1856, and secured his education in the
Jacksonville public school, at a Jack-
sonville business college and later at the
Illinois College. At the present time he is
chairman of the board of trustees for Illinois
College, and takes great interest in educational
matters, both in his home city and in the state
at large.

A little more about his banking career will
recall his special fitness for the position which
he now seeks—treasurer of the state of Illi-
nois—to bankers. He was but eighteen years
of age when he entered the old Jacksonville
National Bank as a bookkeeper. He served in
practically every capacity in that institution
during the seventeen years which he remained
with it. He left its service to become a part-
ner in the well-known firm of Dunlap, Russel
& Co. This banking firm prospered until it
became necessary in order for it better to fill
its field to merge its business with that of
another bank. Accordingly, the control of the
Ayers National of Jacksonville was purchased,
and Mr. Russel now is its vice-president. The
Ayers National now is completing a beauti-
ful seven-story building and will move into its
new quarters about December 1st. It then
will have what probably will be the finest
banking room in the state, outside of Chicago.
As soon as the National is located in its new
building, the business of Dunlap, Russel & Co.
will be taken over and joined with that of the
national bank.

It may be said that Mr. Russel has the
"treasurer habit." His own city elected him
treasurer for five terms. As long as he was
willing to accept the position, the election
went by default in his favor. He has served
as chairman of the state board of pardons un-
der Governors Yates and Deneen for six years.
He was treasurer of the state of Illinois from
1908 to 1910 and made a splendid record, hav-
ing given the office his personal attention,
bringing to bear upon the administration of
its affairs his long banking experience. It is
said about Springfield that Mr. Russel is one
of the best public officers the state ever has
had. He is genial and approachable and his
motto in life is, and always has been, "Do un-
to others as you would have them do unto
you."

Mr. Russel is a Scotch-Presbyterian, and
whether or not he is entitled to a Scotch-Irish
pedigree or simply Scotch, is a matter of little
consequence. His father was a native of Scot-
land, while his mother was born in Sangamon
county, this state. However much bankers
of the state may disagree in other political
matters, they will be found practically solid
for Mr. Russel's election to the state treasurer-
ship. Naturally, his friends expect him to
lead the voting, since he will get the full, regu-
lar, republican vote and the votes of thousands
who will support either Funk or Dunne on the
opposition tickets for governor.

The office of state treasurer requires a man
skilled in finance and of known executive abil-
ity. Special fitness is the demand of the
bankers of the state for the state treasurer-
ship. Members of the Illinois Bankers Association
will line up for Andrew Russel, one of its ex-
presidents, on election day—November 5th.



ANDREW RUSSEL
Jacksonville, Illinois

There probably is not another banker in the
state of Illinois who could contend success-
fully with Andrew Russel in a popularity con-
test. Three times he has carried the Illinois
state primaries by overwhelming majorities.
In the first instance he was deprived of the
nomination which he had earned by political
complications. The second time he was tri-
umphantly elected state treasurer, and those

on his wonderful popularity, not only with
bankers, but with the general public. He
never has a hard word to say of anyone.
When he was deprived of the fruits of his vic-
tory at the state primary for the treasurer-
ship, he fell into line and loyally supported the
ticket. This year, in spite of all threats and
badgering by newspapers and progressives, he
has stood valiantly by the national republican



It is a luxury to travel between Chicago and New York, Boston, and the East over the "Water-Level Route."

On its limited trains a compartment, complete and comfortable, provides electric fan, reading lights, electric call bell, hot and cold water, maid, valet, and stenographer.

Perfect privacy if you desire to be alone with your work or your book — just like your den at home.

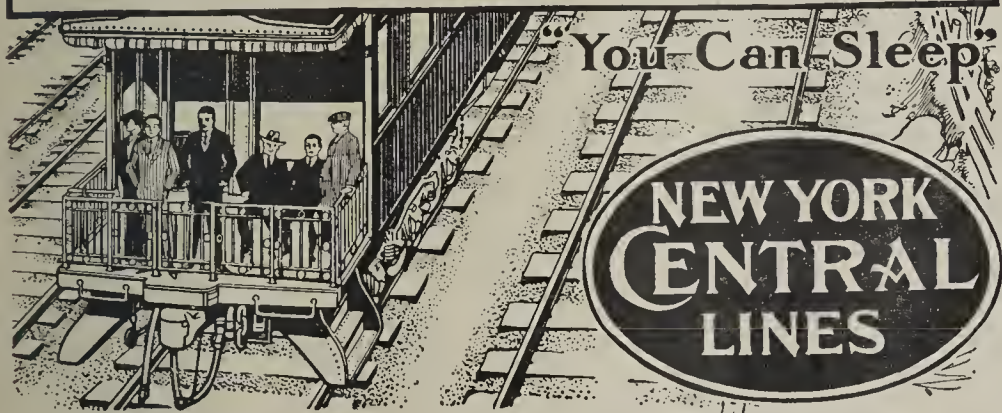
The journey will be restful — you can sleep!

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100 Clark, Corner Monroe
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Telephone Wabash 4200



"FUNDAMENTAL CONDITIONS"

Hornblower and Weeks of this city issue a leaflet entitled "Fundamental Conditions," in which is described money, political, commercial, railroad, labor and market conditions. It may be had upon application at their office, 37 South La Salle Street.

PURCHASES CONTROLLING INTEREST IN CONTINENTAL TRUST

Col. William E. Hughes, millionaire banker and cattleman, who makes his home in St. Louis, but who has large interests in Colorado, recently has purchased from John W. Springer the controlling interest in the Continental Trust Company of Denver. Col. Hughes formerly held the control of this same institution but sold out to Mr. Springer and others about four years ago. The Continental Trust is capitalized at \$300,000. Col. Hughes is well known in the banking world, having formerly been president of the Union Trust Company of St. Louis. He still has large holdings in that institution. He also has banking interests in Texas and is the chief stockholder in the Continental Cattle Company, one of the largest institutions of its kind in the West, with a capital of three millions.

On November 1st Mr. Springer will retire from the presidency and Col. Hughes will become the active head of the Continental Trust. No other change in the list of officers has been announced. Allan F. Ayers, vice-president and secretary, will remain in general charge of the institution and F. G. Spencer, vice-president, will remain in charge of the trust department.

Mr. Springer will first take a rest and then will devote his time to his other interests,

which are quite large. He has been prominently identified with Denver banking affairs, being one of the founders of the Continental Trust and instrumental in the formation of the Federal Trust and Savings and Capitol National Banks.

SUBSCRIBES TO FUND FOR EDUCATION OF FARMERS

Samuel W. Allerton, capitalist and farmer, at a banquet of the American Meat Packers Association held in the Congress Hotel on Tuesday of this week, subscribed \$1,000 as the nucleus of a fund to be devoted to the education of farmers in Illinois and surrounding states. He stated that it is necessary to increase the production of cattle throughout the United States, and that by the adoption of more scientific methods this can be accomplished, and, in addition, the crop production can be increased.

FORT DEARBORN OFFICERS AWAY

William A. Tilden and J. Fletcher Farrell, president and vice-president respectively of the Fort Dearborn National of this city, were out of town this week. Mr. Farrell was in Missouri, where he attended the group meetings, and Mr. Tilden was in the East.

PYTHIAN CONVENTION AT ROCKFORD

Many Illinois bankers spent several days in Rockford this week in attending the forty-third annual convention of the Grand Lodge, Knights of Pythias, which met there October 15th, 16th and 17th.

Directors:

HORACE E. ANDREWS
Pres. New York State Rys.
AUGUST BELMONT
August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
Pres. Alberene Stone Co.
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Pres. The Century Bank of New York
P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.
DESMOND DUNNE
Pres. Desmond Dunne Co.
ELLIS P. EARLE
Pres. Nipissing Mines Co.
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JOHN M. HANSEN
Pres. Standard Steel Car Co.
PARMELY W. HERRICK
Cleveland, Ohio
GEORGE M. HARD
Chairman of the Board
FRANK J. HEANEY
Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President

Capital and Surplus
\$3,000,000

THE CHATHAM AND PHENIX NATIONAL BANK
New York

Directors:

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Vice-Pres. First Nat'l Bank of Phila., Pa.
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Counselor-at-Law
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President American Locomotive Co.
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Ringling Bros.
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Shearson, Hammill & Co.
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New York City
SANFORD H. STEELE
Pres. General Chemical Co.
ALBERT A. TILNEY
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FR'D'K D. UNDERWOOD
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Pres. Goodyear Rubber Co.
SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
Pres. Witherbee, Sherman & Co.
JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.

LOUIS G. KAUFMAN, President

FRANK J. HEANEY, Vice-President

WILLIAM H. STRAWN, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Assistant Cashier

WALTER B. BOICE, Assistant Cashier

NORBORNE P. GATLING, Assistant Cashier

HENRY C. HOOLEY, Assistant Cashier

GEORGE M. HARD, Chairman

RICHARD H. HIGGINS, Vice-President

ALFRED M. BULL, Vice-President

We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars

NATIONAL EDUCATION ASSOCIATION COMMITTEE

At the St. Louis session of the National Education Association this year a special committee was created of the department of superintendents of the N. E. A. This committee was appointed to further the interests of home and school relations of young people. Special work is to be taken up as to the unification of the boys' and girls' club work of the United States. The committee is gathering information now so as to be able to report to those interested what has been done and what is being done in all lines of boys' and girls' club work. Another item is to find a medium of communication for information relative to this work to people who are interested. The third object relates to arranging for courses for work and study in which the boys and girls of all the states may unite. It is not intended that these courses shall interfere with the work they are doing locally, but they are to have some specific, general regulation, which if met by the young people in any particular force will entitle such members to participate in national prize winning contests, exhibits and other matters which may be arranged. The interests of the various state bankers' organizations in the matter of agricultural development and education, as well as the work of "Farmer Joe" Chapman's committee of the A. B. A., touches the vital matter of proper guidance of the young people in the agricultural districts, and they should join with the committee of the N. E. A. in furthering their plans.

Williamson, Ga.—The Bank of Williamson has been organized with \$25,000 capital.

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

JOHN M. MOORE, Vice-President
W. L. BUECHLE, Vice-President
E. W. ZEA, Vice-President

F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier

J. W. PERRY, President

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
J. F. MEADE, Assistant Cashier

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Almost of as much interest as the presidential campaign to the people of Missouri is the state campaign now at its height on the issue of whether Missouri shall adopt the single tax system by constitutional amendment. Although the submission of the amendment was provided for more than a year ago it was not until very recently that the matter caused any considerable amount of comment. But now the state is seething with zealous partisans for and against the amendment. The Bull Moose party which has a state ticket in the field is favoring the single tax issue, while the Republicans are opposing it. As yet the Democrats have taken little part in the controversy, but most of the Democratic candidates are opposed to single tax. The single taxers were in the field first and had made quite a campaign before organized opposition developed. Now the farmers have organized a protective association to oppose single tax and the Republican candidates are preaching anti-single tax all over the state. As a rule, the people of the cities are in favor of it, while a majority of the farmers are opposed to it. It is set forth by the opposition that under a single tax system the farmers would bear the heaviest burdens of taxation, as a land tax would naturally accrue to the farm lands, while the city dwellers would escape a large part of their present tax responsibilities. The bankers of Missouri naturally are deeply interested in the outcome of this unique campaign and it is believed that they are uniformly opposed to it.

Group 4 Holds Meeting in Kansas City

The first of the Missouri group meetings for the season was held in Kansas City Tuesday, October 15th, when the members of Group 4 gathered for a business session. The meeting was held in the auditorium of the Commercial Club and the visiting bankers were given an automobile ride over Kansas City's boulevards and a luncheon by way of special entertainment. W. C. Gordon, cashier of the Farmers Savings Bank of Marshall, Mo., read a paper on "The Needs and the Opportunity," which related to the relationship between the banker and the farmer. Mr. Gordon is chairman of the committee on agriculture and good roads development of the Missouri State Bankers Association. Judge James E. Goodrich, of the Kansas City circuit court, discussed "The Country Banker." C. A. Davis, cashier of the Jackson County Bank of Independence, Mo., reported on Jackson county, and Frank Hamilton, assistant cashier of the Commercial Bank of Liberty, represented Clay county. These reports dealt with the financial conditions of the two counties and the report for the entire group was made by Frank

Crowley, cashier of the Kearney Bank of Kearney, Mo. The address of welcome was delivered by P. W. Goebel, president of the Kansas City Clearing House Association, which was responded to by A. M. Ott, president of the Christman-Sawyer Banking Company of Independence. The meeting was very well attended and was delightful in every way.

Group 11 to Meet at Springfield

Bankers of Springfield, Mo., are making unusual preparations for the entertainment of visiting financiers during the meeting of Group 11, Missouri Bankers Association, in that city, October 29th. A special train from St. Louis bearing twenty-five or thirty bankers, and a special train from Kansas City with even more guests, will swell the number of financiers at Springfield to not less than 225. The St. Louis and Kansas City trains will go from Springfield to Neosho, Mo., where, on the following day, Group 10 will hold its annual meeting. At Springfield, S. E. Trimble, cashier of the Union National Bank of that city, will deliver an address on "The Banker's Part in Agricultural Development." R. R. Calkins, of St. Joseph, Mo., president of the Missouri State Bankers Association, will make an address. The Springfield Clearing House Association has named the following members as an entertainment committee: W. B. Sandford, H. B. McDaniel, Bert Gardner and Ernest Ferguson. Group 11 has as its officers: W. J. McGhee, of Houston, Chairman, and F. H. Wright, of Springfield, secretary.

Ask Protection Against Robberies

Not since the stirring days of the James, the Younger, and the Dalton gangs, has there been such a real period of terror among the small banks of Arkansas, Missouri and Oklahoma as now exists. Bankers in all of the smaller towns of this section are demanding adequate protection, and W. B. Harrison, secretary of the Oklahoma State Bankers Association, has appealed to Governor Cruce of that state for such rewards as will stimulate the local authorities to action. In his letter to the governor, Secretary Harrison says: "Attacks upon Oklahoma banks by professional bank burglars have become so frequent that the name of the state is being brought into disrepute as a resort of criminals of this class. Four burglaries have occurred this week: at Douglas and Kremlin on Monday, at Keystone on Wednesday, and Council Hiss to-day (Saturday). In all, more than \$20,000 has been secured by these robbers from Oklahoma banks within ninety days. During the same period there have been several train robberies and numerous blowings of safes in private places of business. In behalf of the bankers of Okla-

homa residing in small towns where there is practically no protection from these outlaws. I request you to offer a reward on the part of the state commensurate with the offenses committed and that you use any other authority at your disposal to rid the state of these criminals." Since that appeal was made the State Bank of Prue, Okla., was robbed of \$2,000, and the Farmers Bank of Bogard, Mo., was entered and \$2,800 in bills was taken from a demolished safe. Perhaps the boldest escapade of the gang was in holding up a passenger train of the Kansas City Southern Railway, near Mena, Ark., the night of October 11th. The express messenger, Merrill Burgett, distinguished himself for unusual heroism. Although dynamite was used to blow open his car, he battled with the bandits until his ammunition was exhausted. Then he was pounced upon and terribly beaten, but will recover. His resistance prevented the robbers from getting into the express safe. Governor Cruce has said that he has no authority to offer a reward, but, the banking board may do so out of the guaranty fund. A significant feature of the situation is that, while bank robberies are of very frequent occurrence all along the southeast borders of Kansas, no Kansas banks have been broken into recently. It is believed that the law in Kansas providing much more severe punishments for bank robbery is the cause of the immunity thus far enjoyed in that state.

For Release of Flack

Application has been made in the Kansas supreme court for a writ of habeas corpus for the release of John A. Flack from jail in Abilene, Kan., now under arrest for the embezzlement of about \$75,000 from the defunct Abilene State Bank. Flack was arrested in New York August 27th, and was brought back to Kansas. He was arraigned on the charge of forging a note for \$2,000 and was held for trial, giving bond for his appearance. While he was out at liberty he was again arrested on other charges growing out of the bank's failure, and the efforts of Flack's attorneys are directed toward quashing all actions except that upon which Flack was extradited from New York. There are ten separate charges against Flack, all of which, with a single exception, will be quashed if the writ is issued.

Gas Company in Hands of Receiver

For years the Kansas Natural Gas Company has been subjected to almost continuous assault because of the shortage of natural gas in the score of towns and cities in Kansas and Missouri that have been dependent upon that company for their gas supply. Among the

(Continued on page 23)

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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During the last half-century the matchless natural resources of this country have been opened up, disgorging a richness of possession undreamed of in other ages. The men who were fortunate enough to get in on the ground floor in this development have, by the growth of our civilization, accumulated vast fortunes. Some of these men, "growing fat by what they fed upon," have entered the realms of politics and have succeeded in securing for themselves advantages in legislation which, by a system of protection, has added to their wealth, a positive gift, in addition to what the natural growth of our country has given them. We have thus seen created in this country a class of "Newly Rich," the like of which has never been known in any country on the globe.

As the natural resources have developed, and the country has grown by leaps and bounds, industrial centers have sprung up. The needs of the people in those centers and the necessity of communication between different cities has created a demand for public utilities, railroads and traction facilities. This has been another marvelous field for the creation of the newly rich. In many different industrial lines, men have secured from the government a monopoly on an idea controlling the creation of an article demanded by the public. This has been a lucrative field for the creation of the newly rich.

While this accumulation of great wealth by the comparative few has been, in most cases, perfectly logical and legitimate, it has, nevertheless, had a marked moral effect upon the minds of the people and has brought us face to face with problems which will require the deepest thought of most sincere, unselfish, thinking men to solve.

This accumulation of great wealth by the comparative few and their ostentation in their profligate, lavish expenditures, has had a tendency with the general public to make the luxuries of yesterday the necessities of to-day. The standard of living has gradually advanced. The well-to-do citizen is inclined to want to live after the fashion of the newly rich. The man of modest income is ambitious to maintain a standard equal to the well-to-do, and so on down the line.

Boys in the quiet country seats have been told, over and over again, the stories of men in industrial centers who have started with nothing and ended with vast landed estates, or rolled in the wealth obtained from a bonanza mine, or, finally, became kings in the railroad, traction, or public service world. A proud, indulgent parent has said, "My boy shall not be compelled to earn his bread by the sweat of his brow as I have done. He shall be given a chance to become a captain of industry." Thus encouraged, the boy leaves the farm and goes to the city to begin the life-and-death struggle to build for himself a standard of living equal to the newly rich. And yet we wonder why the cost of living is so high. In the face of all this, we must suffer insult to our intelligence every four years by being told by a band of hired stump-speakers, that the Eagle, the Rooster, or the Bull Moose,

The eloquent Dick Miller goes after the Eagle, the Rooster and the Bull Moose for fake election promises to reduce the cost of living. Too many have runabout pocket books and six-cylinder appetites. Tells of Blue Sky abuses in Indiana. Proposes a modified form of the Dolley plan. Gives legitimate investment bankers view point

stand for a reduction in the price of the necessities of life.

These ambitious, money-seeking young men have not come from the farm alone. From the homes of mechanics, merchants, and all classes of modest business men, the ranks of this army of young fighters for advantage in the business world have been recruited.

In this mad scramble to get into the class of great money-makers, many have been legitimately successful, for we still claim for our country the distinction of being a land of real opportunity. In the struggle many have fallen. They have not, however, lost the appetite for the luxuries which great wealth would bring them. They are possessed of a Brush Runabout pocketbook and a six-cylinder Winton Six appetite. They have viewed the promised land of riches, and while they have given up fighting legitimately to reach the goal, they refuse to surrender. They have become monomaniacs on the subject of acquiring wealth. They have forgotten the ethics of their first principle of business. Their motto is, Win! win! at all hazards!

After this fashion we have seen created in this country a distinct class, which we are pleased to call, in polite language, "financial

parasites." If we chose to be brutal in our expression, we would call them high-toned grafters, a class of men who take from those who have and do not care whether they give anything in return for it or not.

While naturally a comparative few men have become immensely rich in this country, those in the more lowly walks of life have been reasonably prosperous. The aggregate savings accounts of the country have grown to enormous proportions. The money-savers of the country constitute a class which we are pleased to call the "investing public." You, gentlemen, occupy a peculiar position relative to the investing public. You are in a sense the trustee for the investor, but, unfortunately, in many cases without full power to act.

I think it very important that this subject be thoroughly discussed before you. It is up to you to aid in every possible way any movement which would give greater protection to your depositor, which would conserve his savings so they might be turned into channels of public upbuilding rather than into channels of absolute dissipation.

It is not necessary for me to tell you gentlemen how this class of financial parasites, in the state of Indiana, have preyed upon the investing public, your depositor. The most usual method employed by the high-toned grafter is the incorporation of a company, and the sale of certificates of stock in that company. Most usually these companies are organized under the laws of a foreign state, but, gentlemen, we have had, as you know, during the last few years, some glowing examples of corporations in our own state, where the financial parasite has succeeded in getting from your investor something for nothing.

In a general way, we may say the promoter of these corporations capitalizes an idea for a business, rather than the substance, and, therefore, gives your depositor, in the form of certificates of stock, nothing more than blue sky, and many times it is not as good as our October blue sky. When we say they have capitalized the idea of a business, we mean they have taken some wonderfully rich industry, where men, because of favorable conditions, have made great fortunes. They have taken the idea of that great money-making enterprise and have made it the basis of an incorporation. Reasoning with the investor by analogy, they hypnotize him with the idea of the business, and the probability of great gain, and thus unload gilded certificates of stock which many times are not worth the paper on which they are written. This corporate method of transacting business has been of natural growth, following along in the path of the development of our wonderful riches.

The promoter of legitimate enterprises, by the organization of a corporation, and by distributing stock widely with the investing public, has probably done as much for the upbuilding of this country as any other class of citizens. We have no fault to find with corporate business, big or little. We have no fault to find with the promoter of legitimate

(Continued on page 28)

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Ballooning is a favorite pastime of Twin City bankers, such as are not on the inside in the present mysterious negotiations in bank stocks. This means that the financial men are up in the air. They profess not to know exactly what the outcome is to be, but one reading their private thoughts would get something like this: "Having built an empire and a great railroad, and having acquired great iron ore interests in Minnesota, to say nothing of other properties in the Northwest, J. J. Hill has decided to cap the climax of his career by establishing in St. Paul a tremendous banking institution and a trust company. To accomplish this, having acquired the Second National, he will combine it with the First National and bring the Northwestern Trust Company into line, and increase the capital and surplus, if deemed wise. In this bank he can carry accounts of the three 'Hill' roads, his mining interests, personal accounts, and can also attract the deposits of other large investors." This theory is said to be the bird's-eye view of the balloonists. Early this week the outlook was for an absorption of the Northwestern Trust Company by the First. More than 1,500 out of 2,000 shares comprising the stock of the trust company have been obtained for sale at \$250. The First has bought a tract of land adjoining the bank which is said to be a means of protecting the bank against intrusion of inharmoniously built structures. The combined capital of the banks would be \$1,400,000, while the combined resources would be about \$16,000,000. The total deposits of the two institutions would be between \$15,000,000 and \$16,000,000 to start with.

North Dakota Bank Merger

The Merchants National, Fargo, N. D., will take over the business of the Fargo Commercial Bank and the institution will be known as the Merchants National Commercial Bank. N. A. Lewis is president of the Merchants, O. H. Barnes, vice-president, and S. S. Lyon,

cashier. Of the Commercial, the officers are: President, F. S. Gardner; vice-president, W. C. McFadden; cashier, M. A. Baldwin. The latter bank was established about five years ago.

Crops in Canada

Reports from Winnipeg are to the effect that the Canadian Bank of Commerce, after a comprehensive and systematic examination of crop conditions in western Canada, estimates the wheat yield at 196,000,000 bushels; oats, 224,500,000 bushels; barley, 49,600,000 bushels, and flax, 12,900,000 bushels. The total value of the grain crops to the producer is estimated by the bank at \$208,000,000, of which wheat at 62 cents totals \$121,520,000; oats at 25 cents, \$56,125,000; barley at 33 cents, \$16,533,000, and flax at \$1.10, \$14,190,000.

Death of Preston Banker

Banker thirty years at Preston, Minn., 78 years old, Judge Henry Rogers Wells died October 14th at Ocean Park Heights, California, where he went two years ago from Minneapolis. He leaves two sons, W. R. Wells, Fresno, Cal.; Harry Wells, Chicago.

W. J. Kommers in Minneapolis

W. J. Kommers, assistant cashier of the Old National, Spokane, said in Minneapolis that Washington, which has the biggest crops in its history, has great business activity. He added: "Conditions that prevail in Minneapolis are felt in Spokane, and everybody is looking for a splendid year in 1913. Winter wheat of the new crop seeded this fall is already four or five inches above the ground, indicating an early start and a good yield next year."

Wealth Per Capita

Another of a series of maps prepared in the office of Kelsey S. Chase, state bank examiner, shows how much everyone in Minnesota should have in money to get his share of the bank deposits in his county. The department has considered both state and national banks.

Ramsey and Hennepin counties, containing St. Paul and Minneapolis, have the highest deposits, but Brown county has the greatest per capita deposits. The amount is \$234.48 and in Martin county \$222.68. In Ramsey it is \$134.01 and in Hennepin \$158.43.

\$20,000,000 More of Credits Taxed

The Minnesota tax commission reports the 1912 assessment on moneys and credits at \$135,155,794, something like \$20,000,000 uncovered since 1911. Hennepin county furnishes 60 per cent of the increase for 1912, or \$12,692,376. Carver county, a small part of the state, shows the greatest per cent increase. Hennepin, Ramsey and St. Louis counties, containing the three large cities, furnish more than \$79,000,000 in the aggregate of \$135,000,000.

New Bank at Lakefield

The Farmers State of Lakefield, Minn., has been incorporated at \$25,000. This may be increased to \$100,000. Incorporators are: Ferdinand Klindt, James Rost, Hohn Hagerston, Lakefield; William Greig, St. Paul; J. G. Branch, Chariton, Iowa.

Depositors to be Paid

The German-American State, Witten, S. D., which closed its doors four weeks ago by direction of Examiner J. L. Wingfield of Mitchell, has been taken over by the other banks of the place, the banks guaranteeing payment of depositors. The bank failed by taking over a hardware business which was a drag. It had \$5,000 deposits, owed \$4,000 and had \$310 in cash.

Prosperity for Minneapolis

Hugo Schmidt, assistant manager Deutsche Bank, Berlin, has been studying the Northwestern trade territory, in which the bank is interested. He was accompanied by his secretary, Count Edward Melatto. Talking with bank presidents he said: "Minneapolis is beautiful, and this is a beautiful spot (the Mini-

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kahda Club). The conditions that are apparent are favorable. For this beautiful city there should be unusually satisfactory business conditions."

Classes in Law of Negotiable Instruments

The law of negotiable instruments is to be studied this season at the interior educational institution of the Northwestern National. The classes were formed about three years ago to add to the efficiency of the clerks. Heads of fifteen departments gave their services free as tutors. The classes are held afternoons or evenings. Business law has been taught three years and penmanship last year. The educational committee is H. C. Libby, J. C. Thompson and A. V. Gardner. "We believe the new system will enable the men to get away earlier and systematize things," said Joseph Chapman, vice-president.

Northwest Notes

W. H. Dunwoody, chairman of the Northwestern National, has been re-elected director in the Great Northern road.

Reports from Fargo are to the effect that more than \$225,000 is pouring into the North Dakota city banks in grain drafts. One bank received \$125,000 in one day and the others made up the quota. In spite of the scarcity of labor few threshing machines are reported idle.

EASY TO TRY OR BUY A BRANDT

The Brandt Automatic Cashier Company of Chicago has an "easy to try or buy" plan for bankers. The company will send one of their famous automatic change makers on a "Rental Order." The bank can rent a brand-new Brandt by the month or by six months, keep it on rental until they wish to return or buy it. If kept until the rental pays for it, the machine belongs to the bank. Write in for new literature by Elbert Hubbard. Brandt Automatic Cashier Co., 727 So. Dearborn Street, Chicago.

FIRST NATIONAL OF PITTSBURGH INCREASES CAPITAL

At a special meeting of the stockholders of the First National Bank of Pittsburgh, the increase in the capital stock from \$1,000,000 to \$2,000,000 was authorized. Stockholders will be permitted to subscribe for the new stock at \$175 a share. The sale of the stock will net the bank \$1,750,000 cash. Of this amount \$70,000 will be added to surplus account.

BOSTON BANK MERGER

It is proposed to consolidate the Merchants and State National banks of Boston to form a bank of some \$25,000,000 deposits, making it the fourth largest national bank in the city. It is understood that the State National is to be liquidated, and following liquidation stockholders will be given an opportunity to take stock in the Merchants on the basis of one share of Merchants, at \$300 a share, for every share of State.

CENTRAL WEST LETTER

(Continued from page 20)

larger centers using this gas are Kansas City, Joplin, Mo., St. Joseph, Mo., Topeka, Kan., Wichita, Kan., and Hutchinson. The fight on the company has culminated in a receivership and the twelve-million-dollar corporation is now in the hands of the federal court. The receivers are Conway F. Holmes, vice-president of the Pioneer Trust Company of Kansas City; George Sharritt, of Topeka; and Eugene Mackey, of Pittsburgh, Pa., president of the Kansas Natural Gas Company. The receivers have qualified and are now making an investigation to establish the exact status of the natural gas supply. Upon this investigation depends the company's franchises in practically all of the distributing centers. It is rumored that the object of the federal receivership was to forestall a number of independent suits.

Central West Notes

E. F. Swinney, president of the First National of Kansas City, has returned from New York where he confesses he loitered several days to see the New York end of the world's series.

E. M. Spicer, under five-year sentence for defalcation of the funds of the Bank of Shelton, Neb., has been taken to the federal prison at Leavenworth.

The report of the treasurer of the Oklahoma state banking board shows there is in cash to the guaranty fund's credit \$110,829, of which \$85,175 was collected through the last assessment.

It is now believed to be certain that the next meeting of the Kansas Bankers Association will be held in Hutchinson and the Hutchinson bankers now are making plans for the event.

The Chappel State Bank of Chappel, Neb., has been organized with a capital stock of \$15,000. The officers are: Henry G. Wiegand, president; Henry C. Peterson, vice-president, and William E. Roudebush, cashier.

Governor Hadley of Missouri has issued a pardon to restore citizenship to Thomas M. Bently, who was convicted of forgery while cashier of the Peoples Bank of Salisbury, Mo., and under sentence to two years in the penitentiary, being paroled by the court.

T. M. Wingo has resigned the presidency of the American National of El Paso, Texas, and will go with the Rio Grande Valley Bank and Trust Company of El Paso as vice-president.

M. R. Connett has been appointed cashier of the National Bank of Seneca, Kan., to succeed P. P. Stein, who resigned to accept a like position with the First National of that city.

J. Z. Miller, vice-president of the Commerce Trust Company of Kansas City, is in Texas on business.

Col. George W. Fouke, president of the Texarkana Merchants and Planters Bank of

Texarkana, Ark., was stricken with paralysis in Denver recently and is not expected to live. Col. Foule came from Shelbyville, Ill., where many relatives reside.

W. L. McKee, traveling representative of the Fort Dearborn National of Chicago; George A. Jackson, cashier of the Commercial National of Chicago; Frank Newhall, assistant cashier of the First National, Chicago; J. Fletcher Farrell, vice-president of the Fort Dearborn National; C. L. Boyle, assistant cashier of the Mechanics-American National, St. Louis; Franklin L. Johnson, assistant cashier of the Mercantile National, St. Louis, and W. B. Taylor, of the Boatmens National, St. Louis, were among the visitors who attended the group meeting in Kansas City last Tuesday.

A third bank is being organized in Jacksonville, Texas, under the name of the Farmers State Bank and Trust Company, with a paid-up capital of \$50,000.

C. G. Cochran, president of the First National Bank of Plainville, Kan., with Mrs. Cochran, has been visiting their son, F. C. Cochran, vice-president of the Fidelity Trust Company of Kansas City.

J. M. T. Johnston, president of the National Reserve Bank of Kansas City, spoke before the meeting of Group 2 at Brookfield, Mo., October 18th, on "A Forecast of the Financial Situation."

Following is the bonded indebtedness in Nebraska to October 1, 1912 (except the cities of Omaha, South Omaha and Lincoln). There is no state indebtedness:

County bonds	\$3,601,500.00
Precinct bonds	327,500.00
City and village bonds	6,002,212.62
School district bonds	6,010,653.80
Drainage district bonds	382,964.33

Total\$16,234,830.75

The following out-of-town bankers visited the Kansas City financial district last week: J. P. Cook, president of the Oklahoma State Bank, Enid, Okla.; E. E. Enloe, president of the Morehead State Bank, Morehead, Kan.; George Guernsey, vice-president of the Commercial National Bank, Independence, Kan.; T. E. Brown, cashier of the Farmers and Merchants Bank and Trust Company, and W. H. Mosher, director in the same bank at De Queen, Ark.; Thad. D. Carver, president of the Peoples Bank of Pratt, Kan.

TEXAS CORN CROP LARGER

It is estimated that this year's corn production in Texas is approximately 135,000,000 bushels, which is an increase of about 10,000,000 bushels over the yield of 1911. The corn acreage in Texas this year was about 11,250,000 acres, which is an increase of about 10 per cent. The quality of the corn is said to be better than that of any previous season for several years.

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Pacific Northwest Banking News

Spokane, Oct. 14th.—Added to the already bright business outlook in Spokane comes announcement that excavation for the \$2,000,000 Davenport hotel begins October 14th, and will be prosecuted vigorously during the winter, giving employment to a small army of workmen. The successful financing of this big project by Spokane men, together with news that actual work begins immediately, affords a decidedly bright supplementary tone to the situation brought about by splendid cereal and fruit crops in the Spokane country. The financing of this big project, having for its object the building of a hotel that will rank with the finest in America, is considered a recognition of the stability of Spokane business conditions. Specifications for the hotel are now being assembled, the steel in New York, the mechanical and engineering in Portland, and other specifications in Spokane.

Bids Soon to Be In

All the large railroad contractors in Spokane, many of the prominent St. Paul, Minneapolis, Duluth and Chicago contractors and several from coast cities, have been notified by Chief Engineer W. L. Darling of the Northern Pacific railroad that bids will soon be called for on the \$3,000,000 Northern Pacific grade separation job in Spokane. A dozen Spokane firms will bid on this big contract, which, it is estimated by Alex M. Lupfer, engineer in charge of the work, will take about two years to complete. Estimates are now being prepared by Porter Brothers, P. Welch, Twohy Brothers, Bates & Rogers, Jones & Onserud, Smith & Company, and M. C. Murphy of Spokane and by Guthrie & McDougal of St. Paul. The Northern Pacific grade separation will begin as soon as the contract is let. One firm will be awarded the general contract.

Rain Beneficial to Wheat

The last month's rains mean many dollars in added returns to farmers of the Palouse and Big Bend countries, tributary to Spokane. Fall wheat is greatly improved thereby and seeding conditions for grain yet to be sown

are bettered materially. Thomas H. Brewer, president of the Fidelity National, reports that farmers are sowing a record amount of fall wheat.

Will Erect Large Saw Mill

W. H. Graham of Berkeley, Cal., is in Spokane endeavoring to make financial arrangements for the erection of a large sawmill, a shingle mill and a pulp mill in Lincoln county, Montana, where he has under contract from the government 75,000 acres of timber land. Mr. Graham says there are about 700,000,000 feet of merchantable timber on the land, including spruce, white pine and cedar.

Prosperity General

James C. Cunningham, vice-president and general manager of the Union Trust and Savings Bank, on his return from an extended eastern trip, said: "Freight cars are all in use, wheels are turning and prosperity is general throughout the country. Everywhere people are talking about the good crops. The demand for bonds and securities is not as strong as it has been, owing to a stiffer demand for money."

Railroad Progressing Rapidly

Tracklaying on the new line of the Oregon-Washington Railroad & Navigation Company, a Harriman line, is proceeding at the rate of a mile and a half a day north and south of the Palouse river, and will reach Spokane about December 1, announced President J. D. Farrell during a Spokane visit. The company will build a big bridge in Spokane across the Spokane river at Monroe Street, plans for which are being drawn. Mr. Farrell reported a general business revival in the Spokane country.

Banking Notes

The state of Washington has \$9,431,141 of its six chief permanent funds invested in interest-bearing securities and has \$488,879 additional permanent funds on hand for investment, but bids now out or accepted probably will call for all of this latter amount. In the last quarter the state board of finance bought

\$344,550 in bonds, and in the year bought \$906,050. Bonds were paid off in the quarter aggregating \$78,900, and in the year to the amount of \$277,680. As compared with a year ago, the permanent funds hold in bonds and cash an increase of \$790,882. The board of finance has invested \$239,000 of state accident fund reserves in interest-bearing securities.

W. D. Vincent, cashier of the Old National of Spokane, will represent the American Bankers Association at the International Dry Farming Congress, in Lethbridge, Alberta, next week, delivering an address on the subject, "Why the Banker Favors Better Farming Methods." Mr. Vincent is a member of the executive council of the Bankers Association.

Charles Isecke, president of the Bank of Asotin, Wash., and a pioneer banker of southeastern Washington, died October 6th. He had lived in Asotin county since 1877.

At the end of the first year's business of the Spokane postal savings bank, the names of 453 depositors appeared on the books with a total of \$50,318 to their credit. The Spokane bank was established October 7, 1911, in the Federal Building. On August 1, 1912, five subsidiary postal savings banks were opened in Spokane at the five sub-stations of the Spokane postoffice.

BANK DEPOSITS GROW IN TEXAS

Within the period of a year the national banks of Texas, outside of those in the six reserve cities, have increased their individual deposits \$16,995,980; their loans and discounts have increased \$11,297,147; their surplus funds \$605,588, and the amount of lawful money in the banks was \$366,855 more on September 4, 1912, than on September 1, 1911. This showing is made with an increase of but two national banks.

Fertile, Minn.—The Farmers State Bank has been organized here with James F. Hanson, president; Nels Clementsen, vice-president, and Hans Paulsrud, cashier.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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ANSWERING ROOSEVELT AND THE HEAD WAITER

Recently Colonel Roosevelt addressed a number of serious (?) questions to Governor Wilson through Ex-senator Beveridge at Cincinnati. The colonel says he got the facts about the New Jersey laws and the constitution from a head waiter who used to live in the state. Think that over. The Beveridge-Roosevelt-head waiter questions concerned Governor Wilson's enforcement of the corporation laws of New Jersey, and asked why the Standard Oil Company and the American Tobacco Company had not been prosecuted in the state in which they were organized.

Governor Wilson's telegram was as follows:

"I authorize you to say that the Republican majority in the legislature made revision of corporation laws impossible and no New Jersey official could prosecute or propose dissolution for breach of the federal statutes."

Governor Wilson's telegram puts the matter squarely up to the Republican legislature of New Jersey. You see the head waiter misled the colonel.

EVANSVILLE, IND., BANK TO HAVE NEW BUILDING

City National of Evansville, Ind., is contemplating the erection of a new bank building to be located at Third and Main streets. Its new home will cost in the neighborhood of \$130,000.

THE SECRET OF LONESOME COVE

Samuel Hopkins Adams is out in a new mystery story which will take a banker's mind off the red column and keep it off. The new book is from the Bobbs-Merrill Co., Indianapolis, which stands for its high character. The title is "The Secret of Lonesome Cove," and it remains a skillfully guarded one to the last word almost. There is a murder and it is shrouded in mystery at Lonesome Cove, on the New England coast. It would spoil the prospective reader's interest to detail the plot, which is well constructed. Suffice to say that Sedgwick, the artist, is suspected and cleared, that he finds his lady love and that the astrologer's tale is one of the most exciting in current fiction. Over plot and counterplot stands dominant the figure of the professor. Schlager, Elder Dennett, Dr. Breed, Lawyer Bain, Gansett Joe, the half-negro, half-Indian; Sedgwick, the artist; the fair Marjorie, whom he marries; Alexander Blair, the millionaire, are all well drawn characters. The professor's idea of a room hung with white sheets to think in, is unique. He smokes a long, thin clay pipe, but after he shaves his whiskers and starts in on the case in earnest, he attires himself in unimpeachable elegance. "The white serge suit was freshly pressed. His lavender silk hose, descending without a wrinkle under his buckskin shoes, accorded with a silk tie and lavender striped shirt. A soft white hat covered his eyes against the sun glare. To put a point against to this foppishness, a narrow silk ribbon, also pure white, depended from his lapel buttonhole, suggested an eyeglass in his pocket." Of course this monocle is a powerful magnifying glass to aid the professor in his Sherlock Holmes work, in which he is a past master, solving the great mystery and bringing the story to a happy conclusion.

Los Angeles

The Citizens Trust and Savings Bank has opened for business in its remodeled quarters on Broadway, and from 8 A. M. until 10 P. M. of every week day savings deposits will be received and checking accounts conducted. The safety deposit vaults will be open also every hour of the bank's business day. Only one other Los Angeles banking institution, the All Night and Day Bank, is doing business outside of the usual banking hours. R. M. Andrews, assistant to Orra E. Monnette, announces that they are planning to take care of a new field of financial development in upper Broadway among merchants and fraternal organizations, a large part of whose business is conducted in the evening hours.

C. D. Graham and F. E. Graham have sold their stock in the First National of Claremont and have retired from the board of directors. A. M. Chaffey of Los Angeles has purchased these holdings and has been elected president to succeed C. D. Graham. Mr. Chaffey is prominent in financial circles in Southern California and brings to the bank a valuable experience and a wide influence.

A charter has been issued by the treasury department to the San Fernando National Bank, San Fernando, Cal.; capital, \$25,000.

OREGON BANKS SHOW GROWTH

Salem, Ore.—Will Wright, superintendent of banks, has compiled a comparative statement showing the condition of all banks as of September 4, 1912, and September 1, 1911. State, savings, private and foreign banks show a growth of \$4,707,977 in total resources, during the year, the figures being \$73,043,715, as against \$68,335,738. National banks have total resources of \$85,141,739, as against \$79,895,510, a gain of \$5,246,229.

STRAUS & CO. OPEN NEW YORK OFFICE

S. W. Straus & Co. announce the opening of a branch office in New York at 1 Wall Street. The office will be under the management of George L. Wiley, who formerly was secretary of the Insurance Company of the State of Illinois for many years. He also is an officer and director in several banks.

Three Lakes, Wis.—The State Bank of Three Lakes has been organized with Clark T. Henry, president, and J. P. Parrette, cashier.

A WHIRLWIND WESTERN STORY

Caroline Lockhart, who wrote "Me-Smith," is out in a real western story—"The Lady Doc"—which is good fiction and funny as can be. It is the story of a western town in the making. Emma Harpe, the title character, is one of those anomalous creatures wholly devoid of any womanly attribute and without regard for the ethics of her profession except in so far as she counts upon other physicians to use them to protect her malpractice against its deserved exposure and punishment.

Indeed, she shamelessly acknowledges that she is practicing solely for what there is in it for herself; human suffering, life, and death matter not at all, nor do they touch her heart. By a coincidence, not strange considering the youth of the West at the supposed time of the story, the unsavory reputation accompanying her departure from one town did not follow her to Crowheart. There she immediately set to work to identify herself so intimately with the private affairs of some of the residents as to have an effective club always ready for use against them should they ever become recalcitrant.

From this point the reader's interest is divided between "The Lady Doc," with her devilish machinations, and the development, social and commercial, of the town of Crowheart. A compelling story results, one so absorbing that hours slip by unnoticed until the end is reached. The title character has the strange fascination of the hideous and gruesome, and to her Essie Tisdale, her victim, gentle, merry-hearted and possessed of a mind far above her surroundings, offers a strong contrast. Crabbed must be the heart to which this pretty girl does not appeal. There is much more to the novel, very much more, and the business dealings and struggles, and the unbecoming social bickerings are narrated with the same unrelenting, convincing truth that makes the characterizations so compelling.

Published by Lippincott & Co., Philadelphia.

TO EDUCATE THE FARMERS

Columbia, Oct. 14th.—Farmers' institutes will be held throughout Missouri this fall and winter by the state board of agriculture until March 15th. In the past, institutes have been held at any towns that suited the convenience of the speakers, but this year a new plan will be tried. The state has been divided into six districts, and each district will be given four weeks' time. This will be divided into two periods of two weeks each, so as to suit the convenience of the people of each district. It is expected that the institutes this year will furnish instruction on agricultural subjects to 100,000 farmers.

SECRETARY MACVEAGH IN TOWN

Franklin MacVeagh, secretary of the treasury, was in town this week for the purpose of registration in order that he may cast his ballot for President Taft on November 5th. He believes the president will be elected by a large margin.

A new institution known as the Centralia Trust and Savings Bank has opened for business at that place. It is capitalized at \$50,000. J. F. Mackey is president and Max Prill is cashier.



THE OLD NATIONAL BANK of Spokane

offers correspondents genuine service based on a knowledge of their needs and an organization capable of meeting them in every particular

D. W. TWOHY, President
T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON - Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus. \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa - Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

Des Moines, Oct. 16th.—Iowa bankers are exultant over the showing made in the last report for the state and savings banks and trust companies as compiled by the state insurance department. This report shows an increase in deposits of \$9,107,146 for the period ending September 11th, as compared with the preceding call of June 29th. The increase for the year, as compared with August 30, 1911, is \$35,108,076.95. The total as shown by this last report is \$287,866,651.15. Surely that is a showing of which Iowa bankers may well feel proud. The capital stock shows an increase over the preceding call, of \$333,500. The statement shows forty-one new banks in Iowa during the year, and fifteen new ones since the report of June 29th. This makes 1,031 of them now in the state.

An interesting comparison has been made of the latest statement and one issued June 30, 1898, by State Auditor McCarthy. In 1891 there were 381 state and savings banks; now there are 1,031 with two new ones added last week. The deposits were then \$59,336,000, as compared to over \$287,000,000 now. The capital was then \$16,447,000; now it is \$36,315,800. The banks then owned real estate of \$3,841,000; now they own \$10,118,000. In that report fourteen years ago, the auditor boasted of an increase in deposits over the preceding year, of \$13,893,000. In those days there were 172 savings banks; now there are 732. There were 209 state banks, now there are 284. There are now 15 trust companies. The gain in deposits of over \$35,000,000, as shown by the latest report, is greater than the total deposits were twenty years ago. This is truly evidence that Iowa is making money. For while Iowa has the unenviable distinction of being the only state in the union which lost in population between the years 1900 and 1910, her bank deposits have increased four times over.

Tax Commission's Report

The Iowa temporary tax commission has made its long expected report, and, as was anticipated, some interesting references are made to the present bank laws of the state. To give the report in detail is of course impossible, but among the provisions of most interest to bankers may be mentioned the following: Permanent state tax commission; separation of local and state taxes, the former to be used in counties and the latter to come from railroad and corporation assessments and general state revenue; change of present system of taxation on one-fourth valuation to full valuation; change of taxation of bank stocks from 80 per cent valuation to full valuation; change of assessment of bank surplus and undivided profits, putting them under the moneys and credits law.

The commission holds on the recommendations particularly relating to banks that the present law has a tendency to reduce bank surpluses and undivided profits, and removes a

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

protection from the public which the latter should enjoy. The report is voluminous, but contains many interesting features. This report will come up before the legislature this winter and its provisions will then be thoroughly threshed out. Governor Carroll is expected to make some recommendations as to the various clauses in his annual message.

Counterfeit \$10 Bill

Des Moines bankers have issued a warning against a spurious ten dollar bill which appeared in Des Moines last week. It is a ten dollar gold certificate, plate number C86, series 1907, signed by Vernon, registrar of the treasury and Lee McClung, treasurer of the United States. The Iowa National of Des Moines was the first institution to discover the bill and made haste to acquaint the people of Des Moines of the presence of the counterfeit.

Industrial Investment Company Huge Success

The Greater Davenport Committee is disposing of additional stock in the Davenport Industrial Investment Co. to the amount of \$75,000. This concern was organized some months ago largely as an experiment, and for the purpose of inducing factories to locate in Davenport. It was voted to capitalize at \$300,000. Not all of this was sold, but the amount disposed of totaled \$133,700, of which \$13,370 was in cash and \$120,330 in credit. The movement has been an entire success. And now more of the stock is being sold and the members of the Greater Davenport Committee are enthusiastic. It is stated that many other cities are adopting the method and, as a result, Davenport is getting the factories, and in addition much first-class advertising.

C. L. Van Nostrand Issues Statement

President C. L. Van Nostrand of the Iowa League of Commercial Clubs has issued another statement relative to the program for the state convention at Sioux City, and the interest bankers should take in the meetings. Whether this latest statement is an explanation or an apology, one cannot tell, but it is interesting and this is what he says:

"The impression has gone forth that our committee has in mind banking reforms and regulation of banks, currency measures, etc.,

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa - Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERNAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

CHICAGO NATIONAL BANKS SHOW GAIN IN DEPOSITS

According to figures prepared by Comptroller of the Currency Murray, Chicago national banks, at the call of September 4th, showed a gain in deposits of \$1,078,613.31 as compared with the call of June 4th. There was a loss in loans of \$12,717,070.27 and in cash of \$8,035,555.34.

which is erroneous. The actual business of the committee is to promote surety in commercial paper and to discuss credits. In this matter our bankers can be of great help to us. Money occupies the relative position of a measuring device in a dry goods store. They do business with credits, or to be more explicit, over 95 per cent of the business done in the United States is done with credits—drafts, checks, bills of exchange, notes of hand, secured and unsecured, and about every form of credit known in the commercial world. The other 5 per cent is done with money. Now it is the intention of the Iowa business man to protect Iowa credits above any other credits on the market. There are no men better qualified to assist in this than our bankers, hence we look to the bankers for assistance rather than criticism, and those of them who understand our desire are coming forward with all the aid in their power and are endeavoring to place Iowa credits in so firm a position that money panics will not affect this state."

Fire in Mail Box

A peculiar fire occurred in the mail box at the bottom of the mail chute in the Black Hawk National building at Waterloo. In the box were numerous checks, one for \$9,000, and one ten dollar bill, real money, being consumed. It appears that someone dropped a lighted match down the mail chute. The strong draft fanned the flame and the smoke was detected in the eighth story. The fire was extinguished by use of the fire protection devices maintained by the building.

Interviews with Bankers

Two questions pertaining to banking have been utilized in filling space in the Iowa newspapers recently. One has been whether the Iowa banks will need aid from the government in handling the crops. The other is whether Iowa banks will establish laundries in connection with the institutions, for the purpose of cleaning up the bills. And it might also be said that interviews with bankers upon whether or not they believe smaller sized bills will be of advantage, have been quite prominent in the newspapers of the state. When news grows dull, the bankers are always to be depended upon to furnish copy and it might be observed in passing that this sort of copy is decidedly interesting and popular.

Bankers Club Holds Election

The Des Moines Bankers Club held its annual election at the first of its monthly sessions last week. Amos O. Hauge of the Iowa Trust and Savings was elected president. George A. Pearsall of the Citizens National was elected vice-president. Fred Risser of the Central State was elected secretary and treasurer. The executive committee members are B. A. Lockwood of the Citizens National and D. J. Van Liew of the Capital City State. Plans for the coming season include speakers from outside of the state on questions of especial interest to the members of the club. The club will follow its policy of meeting once a month.

Iowa Banking Notes

Robbers continue to prowl around northwestern Iowa. One of the successful Iowa robberies was at Gilletts Grove, where \$1,041 was secured. The gang is thought to be making headquarters at Minneapolis, Sioux City or Sioux Falls.

Stephen Blaine was sentenced to fifteen years for forgery, by Judge Clarke sitting in court at Mason City.

Invitations have been issued by Mr. and Mrs. R. T. Wellsager for an observance of their golden wedding anniversary at the Des

Moines Golf and Country Club October 26th. Mr. Wellsager is one of the oldest bankers in Des Moines and has been prominently identified with local finances for many years.

The Farmers Saving at Vining is a new institution which has filed articles with the secretary of state. The capital stock is \$12,000. The incorporators include Veniel Hurt, Paul Konba, John Kotorsky, E. M. Kupka, George Lamb, John Haddock, James Duhachek and F. Gundak.

Fred E. Stewart, secretary of the Farmers Loan and Trust of Waterloo, was married last week to Miss Edna P. Conner of that same city. The ceremony was performed at the home of relatives in Spokane.

The Farmers Savings at Robinson has filed articles with the secretary of state and will commence business as soon as the charter is issued.

Mrs. M. E. Griswold, vice-president of the Farmers Savings at Manson, and her sister, Mrs. Anna Funk, have returned from a three months' trip in Europe.

C. L. Herring, president of the Herring Motor Car Co. of Des Moines, has been elected director of the Des Moines National to succeed W. S. Regur, who formerly resided in Des Moines. Mr. Herring is a prominent stockholder in the bank and one of the most successful automobile men in the Middle West.

Albert Tymerson, one of the hustling young bankers of the state, has been chosen president of the Truesdale Savings at Truesdale.

Sioux City

By JOHN J. BIDDISON.

Money is easy, and both clearings and deposits are steadily mounting. The winter season is approaching with Sioux City territory in tiptop condition to meet it. While politics is the topic of conversation, it has not been allowed to interfere with the business of those who have any business worth attending to, and the common run of people hereabouts rather expect the sun to stick to its course, even if the worst should come, and Taft, T. R., or Wilson should be elected. The worst, it being understood, being whichever of the candidates mentioned happens to be most in disfavor. In general, it might be said of Sioux City bankers that they are not alarmed at the prospect of defeat for the Republican party. In fact, some of the best known are outspoken as Democrats or Bull Moosers. G. R. Whitmer, president of the National Bank of Commerce, is chairman of the Democratic County Central Committee. But for the fact that some of them do not think their connection with it helps the cause, several of this city might be given places on the roll of the Progressive party.

But as to the serious affairs of the banking business, the outlook is most encouraging. The farmers reaped bountiful harvests of small grain and are not yet done threshing. They have sold enough, however, that they have money in their pockets and more in the vaults, and trade therefore is good. Corn husking has hardly started, but a tiptop yield is assured, and some new deposit records should be shown by the Sioux City banks before next summer. This has been a wonderful summer just closing for the building trade, and activity will continue as long as weather permits. Winter then will probably catch some work unfinished. The healthy growth of the city seems to warrant the optimism of those who have built ahead of their businesses.

F. W. Haynes on Trial

By an unexpected turn of the wheel of fortune, F. W. Haynes, former cashier of the Rudd Bank, Rudd, Ia., is now defending himself at law on a charge of misappropriation of funds to the amount of \$13,000. Two directors of the bank said uncomplimentary things about him which resulted in the filing of suits against them alleging slander. The court was persuaded to have an expert examination of the bank books to ascertain the truth or falsity of the statements that had been made derogatory to the character of Haynes. The report made by the expert resulted in the withdrawal of Haynes' suit and the filing of an action against him. He has entered a plea of not guilty.

Rob Iowa Bank

Robbers broke into the State Bank of Gillett Grove, Ia., last week, blew the safe and escaped with \$1,040 in cash. A posse of citizens traced the band as far as Calumet, to which point they had gone by motor car, but there the trail was lost.

South Dakota Bank Robbed

A running fight with bandits that resulted in their escape followed a raid on the Owanka State Bank at Owanka, S. D., 35 miles east of Rapid City, last week. Five explosions were necessary to open the safe, from which \$1,400 was taken, and the whole town was aroused. Sentinels held the citizens at bay until the loot was taken out. Cashier F. B. Stiles emptied the contents of a rifle at four men as they left the bank, leaped on their horses and escaped in the darkness, but his shots were apparently ineffective. Fifty men took up the trail and caught up with the bandits in the Black Hills but could not take them.

Sioux City Visitors

M. N. Winebrener, cashier of the Walthill (Neb.) National, was in the city Monday.

L. A. Price, assistant cashier of the First National of Spirit Lake, Iowa, is serving on the federal petit jury in Sioux City.

A. E. Hindorff, cashier of the Jasper County Savings Bank, Newton, Iowa, has been in Sioux City this week in attendance at the session of the Grand Lodge of the I. O. O. F. Mr. Hindorff has been treasurer of the Grand Lodge for the last seven years, and was re-elected at this meeting.

H. Ricker, cashier of the Bank of Granville, was in Sioux City Tuesday.

W. S. Short, president of the Northwestern State Bank, Orange City, Iowa, was in Sioux City Tuesday.

KNAUTH NACHOD & KÜHNE

K. N. & K. in their market letter say: "There is reason to expect a much better bond market with the turn of the year. A large amount of capital is awaiting investment in the United States, and with the passing of the presidential election and the conclusion of the year-end settlements it is fair to assume that investors will reinvest a considerable portion of the funds which they have accumulated this year and last. During the next calendar year some \$200,000,000 of short term notes will mature, and the chances are that most of these will be provided for through the sale of bonds. Some of the largest maturities have been already arranged for, so that no new financing will be required."

The capital stock of the Vallejo (Cal.) Commercial Bank has been increased from \$100,000 to \$150,000, this action having been decided upon at a special meeting of the stockholders September 21st.



CONTINENTAL NATIONAL BANK

INDIANAPOLIS, INDIANA

An Institution of Banking
Service to Banks

**YOUR INDIANA BUSINESS WILL
HAVE THE ATTENTION OF WELL
ORGANIZED DEPARTMENTS**



The Indiana National Bank

INDIANAPOLIS, INDIANA

Capital	-	-	\$ 2,000,000
Surplus	-	-	1,000,000
Resources over	-	-	20,000,000

OFFICERS

VOLNEY T. MALOTT, Chairman of the Board	GWYNN F. PATTERSON, Cashier
FRANK D. STALNAKER, President	THOS. H. KAYLOR, Asst. Cashier
HENRY EITEL, Vice-President	LEROY KAHLER, Asst. Cashier
ANDREW SMITH, Vice-President	R. MALOTT FLETCHER, Asst. Cashier
MACY W. MALOTT, Vice-President	JOHN F. KURFISS, Auditor
EDWARD D. MOORE, Vice-President	

WE INVITE YOUR BUSINESS

KANSAS BLUE SKY LAW EXTOLLED AT INDIANAPOLIS

(Continued from page 21)

enterprises, but we do insist that the time has come when we must distinguish between the promoter who capitalizes the idea of a business for stock-jobbing purposes only, and the promoter who capitalizes the substance of a business with the substantial hope and reasonable expectation of ultimately making it of real value to the holders of the stock, and making it a real factor in the business community.

It is estimated by Postmaster-General Hitchcock that \$150,000,000 a year is taken from this investing public by get-rich-quick swindlers. Ninety per cent of this, I dare say, is obtained by the sale of certificates of stock. If 150,000,000 a year is levied as a tax on the investor by the get-rich-quick mail order houses, what can you imagine is the toll exacted in the different states by personal solicitation.

This has grown to be a real problem in this country, gentlemen. In this problem you occupy a most important position. Do you realize that our public carriers, the railroads, are now in need of \$1,000,000,000 to build up their properties to a standard sufficient to meet the demands of the shipping public? And do you realize that it is now almost impossible to float an issue of bonds on the best railroad properties in the world? Why is this? The fundamental reason, I believe, is to be found in the minds of the general investing public—a sort of mania to get a greater income on idle capital, that a higher standing of living may be maintained, and as a counterpart to this mania in the minds of the public is the fact that we tolerate and permit to thrive these financial parasites referred to heretofore. These high-toned grafters, offering bastard securities, have seized the spirit of the times and feed upon it like sea gulls on a disabled fish.

It is not an uncommon thing, when we offer seasoned securities in the market, to have a widow tell us, "I must have a bigger income on my money." And it is not an uncommon thing to pick up a paper a few months later and read the name of that same widow as one of the victims of some get-rich-quick swindler. We admit the general public ought to aspire to better living, but it must come in an orderly fashion, and cannot come by patronizing the investment houses and agents who organize corporations and distribute certificates of

stock for revenue only. What are we going to do about it? You say, Educate the public not to buy wildcat securities. Not in a thousand years. So long as human nature remains as it is, men and women will innocently give their all for the possibility of great gain if the opportunity presents itself. You may say to me, If the investor is foolish enough to buy such rubbish, let him alone; it is none of our



RALPH K. SMITH
Indianapolis
Cashier Fletcher American National

business. To you who think after that fashion, let me say this: If you do not care for the weak-minded individual who suffers from such schemes, remember, you need that money for legitimate enterprises in your community, and it is your duty as an American citizen to help in every way possible to conserve the people's savings for the general upbuilding of the public.

Let me ask you this question: Did we let the Louisiana Lottery alone? Do we permit open books on horse-races? Do we leave these avenues open to sap the slender savings of the poorly paid clerk, bookkeeper, or servant? No!

I remember twenty years ago, I went to Bloomington to enter Indiana University. I wore a Prince Albert coat, pompadour hair, a

Fedora hat, side-burns, and quilted tie. The county fair was on that week. Being lonesome and a little homesick, I went out. I guess someone saw me coming. I had \$22 in my pocket, the most money I had ever had at any one time in my life. A new-fledged comrade induced me to try to earn enough with that \$22 to pay my expenses in college for one year by investing it in red, white and blue chips belonging to a fellow they called "Hyronemous." The fairground was three miles from town. I walked in that night. Have we left those open gambling temptations free to rob such idiots as I was at that time? No, we have driven that kind of a parasite out of business by legislation. Now, why not begin on the parasite a little higher up? My mind is absolutely fixed on the proposition that we must protect the weak-minded vacillating investing public from the siren songs of these smooth-tongued, Get-Rich-Quick Wallingfords—and we must do it by legislation.

Up to this time the responsibility of this address has not weighed heavily on my shoulders, but I am now beginning to groan under the load. A young man got married. He had always admired an old-fashioned clock which belonged to his uncle. The uncle gave it to him as a wedding gift. The young man would not let the transfer company haul it. He went over to his uncle's one morning just at break of day and started to carry the clock to his cozy little flat. The clock was heavy and it proved to be quite a burden. It was necessary for him to rest quite often. While he was setting the clock down at one of these resting spells, a fellow who had been out all night fighting with "John Barleycorn" came up. He said: "Excuse me, mister, for putting in (hic), but don't you (hic) think it would be more convenient (hic) to carry a watch?"

I firmly believe it would have been much more convenient for me had I engaged to discuss a subject of less weight. It is always easy for a speaker to tell an audience something it already knows. It is one of the arts of the orator to make his expressions reflectors of the truths which abide in the minds of his audience. It is indeed easy to point out defects in our industrial and economic life as I have attempted up to this time. The world is full of good preachers, men who eloquently tell us wherein we have sinned. The agitator, the muck-raker, the preacher, are all useful elements in society, but what we need most of all is now and then a good teacher, the man

National City Bank

OF INDIANAPOLIS

Capital - \$1,000,000.00
Surplus - 200,000.00

OFFICERS

J. M. McINTOSH, President	JOHN R. WELCH, Vice-Pres.
FRANK M. MILLIKAN, Vice-Pres.	WM. K. SPROULE, Cashier
L. P. NEWBY, Vice-Pres.	HARRY B. WILSON, Asst. Cash.

The officers of this bank will be pleased to meet or correspond with those who contemplate making changes or opening new accounts

Capital and Surplus

\$3,000,000.00

Resources

\$23,000,000.00

Accounts of Banks,
Bankers, Corporations,
Firms and Individuals Invited.



who can direct us in the proper channels so we can avoid the unfortunate conditions pointed out by the preacher, the agitator and the muck-raker.

What we are now interested in is a program of legislation which will be applied to the state of Indiana. A program of legislation which, while not interfering with legitimate exchange of securities, and not retarding the progress of laudable business enterprises, will drive out from our midst the get-rich-quick promoters who organize companies and sell stock for revenue only.

By the courtesy of your state organization you have received a copy of the "Blue Sky Law" of the state of Kansas, which was passed by that state for the purpose of correcting such evils as I have pointed out to you here in a general way. The law has been in force since March 10, 1911, and, we are told, has been reasonably successful. It would indeed be a relief to me, and no doubt would be to you, if I could dismiss this subject right here. If I could say, The Blue Sky law of Kansas is just what we need in Indiana. Let us re-write it in our statute books and let the executioners do their duty. Owing to the complexity of our form of government each state is, in a sense, a government of its own. Its citizenship and industrial life is peculiar to its own geographical boundaries. It may naturally happen, therefore, what is a good law for the state of Kansas is not a good law for the state of Indiana.

The Kansas Blue Sky law requires every investment company, whether organized under the laws of the state of Kansas or any other state, to file in the office of the state bank commissioner a statement showing in full detail the plan upon which it proposes to transact business. A copy of all contracts, bonds, or other investments, which it proposes to make with or sell to its contributors, also a statement showing the name and location of the investment company, and an itemized account of its actual financial condition, and the amount of its property and the amount of its liabilities, and such other information as may be required. These statements are to be made under oath, by a proper official.

After an examination of such documents, the bank commissioner may in his discretion grant a license to the vendor, to offer securities to the public. Each individual agent operating under the direction of the licensed investment company must apply to the state official for a license. It is a highly punishable

offense for anyone to offer a security in the state of Kansas who has not complied with the above outlined provisions. The state, by this statute, demands of each investment company that it file with the commissioner of banks a balance sheet each six months, setting out in detail the assets and liabilities of the company. The bank commissioner is the



J. C. JOHNSON
Evansville, Indiana
Vice-President Citizens National

supreme judicial officer. From his decision no appeal can be taken.

Certain institutions and certain securities are exempt from the provisions of the statute, viz.: state and national banks, trust companies, real estate mortgage companies dealing in real estate mortgage notes, building and loan associations, and corporations not organized for profit. The securities exempted are: Bonds of the United States, State of Kansas or some municipality of the state of Kansas, and notes secured by mortgage on property in the state of Kansas. The purpose and intent of this Blue Sky law of Kansas is most admirable and I have no doubt but that in the state of Kansas its operation is most satisfactory, but is it applicable to the state of Indiana?

Kansas is purely an agricultural state. Her corporate industries are not highly developed. Her needs of financing big enterprises at home are reduced to a minimum. The general investing public has not formed the habit of purchasing seasoned securities through big houses of issue, or brokers of local standing. In the enactment of such a sweeping law, therefore, there could be no great shock to legitimate enterprises. In other words—Kansas did not burn the barn to catch a horse-thief on the inside. Conditions are entirely different here in the state of Indiana. We are just as anxious as is the state of Kansas to wipe out the infamous practice of marketing worthless securities, but we must do it in a different way. I do not believe we want to rush pell-mell into this Blue Sky law legislation, following the states of Kansas and Oregon just because it sounds well and we think the people would like to read it in our statute books.

In the state of Indiana there is a legitimate line of investment business carried on by domestic and foreign investment companies of high standing, which under the provisions of the Kansas law would, because of the extreme restriction, be greatly shocked, if not reduced to a minimum. It is not necessary for me to tell you the effect of such a condition. Suppose every investing state in the Union would pass such a law. How would you loan your idle funds? How would the great industries of this country secure the funds to improve their properties to meet the demands of an exacting public?

The legitimate investment houses of this country have always been the means whereby idle, unloanable funds in one community have been taken to other communities where they have served a real industrial purpose. This is a consummation devoutly to be wished. I think there are a number of weak places in the Kansas law, as applicable to the state of Indiana, but the real weakness is the fact that it makes it as hard for a legitimate broker or investment banker to sell a seasoned security as it does for a promoter to sell a security which has no standing at all, except the possibility of its management in the future. In fact, the restrictions are so onerous on the investment broker, that it would either drive him out of business, or because of lack of enforcement would drive the law out of business, and thus no one would profit by it.

If, gentlemen of the convention, I seem to defend an honorable business, with which I

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Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

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Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

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The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

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All or any of the above books will be sent, carriage prepaid, by

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state of Indiana. Compel every investment company or agent, domestic or foreign, proposing to offer for sale securities which promise the investor an income yield in excess of say, six per cent, to take out a license from the state banking department or the proper state official, whoever he may be. Require the applicant for such license to file with the proper official, balance sheets and income he proposes offering securities, also a statement covering the properties on which the operation of the business. The public officer should have power to require authentication of all statements by approved public accountants. Such detailed examination to be at the expense of the applicant for license. The state official in granting or refusing a license should take into consideration the reputation of the vendor, his general moral character, his rating as to integrity and uprightness in business af-



GEO. F. QUICK
Indianapolis
President Continental National

fairs, rather than his personal wealth. The state official should have power to demand under oath a statement showing the amount of commissions to be paid by the company to the principal and agents selling the securities, and the amount of fees to be paid for organization purposes. It shall be within the power of the proper state official on his own motion, at any time he feels the interest of the public demands, to revoke a license. He shall be given power to apply to the proper court for a receiver for any enterprise, securities on which were sold by a licensee, when in his judgment the investing public would be benefited. It should be declared a felony for any one to market or attempt to market securities without first taking out a license where by inference or inuendo the investor is led to believe the purchase of the security will bring to him an income either in rate of interest or increase of market value greater than the fixed legal rate of six per cent.

When application is made to sell a security on a property, a statement of whose assets and liabilities, etc., appears in financial manuals of recognized standing, the state officer may take such statements as final if rendered within one year from the time of application. In the organization of new companies, subscribers to stock in amounts of \$5,000 or over, should be permitted to file waivers, thus avoiding delays in the organization of many legitimate enterprises, and at the same time protect the small investor who is usually unschooled in business undertakings. I offer

this plan, gentlemen, because I am a progressive, a conservative progressive. I do not believe you can reform the whole business of marketing securities in one session of a legislature as Kansas has tried to do and as Oregon is attempting in its present referendum vote on the subject. By making it a highly punishable offense for one to offer a security which promises more than a reasonable income without first taking out a license, the small investor is protected and the fertile field of the wildcat promoter is destroyed.

By this method I believe we will take one good long stride toward ridding our state of the infamous practice of financial parasites who sell securities for revenue only.

CHICAGO AUTHOR'S NEW BOOK

Clara Louise Burnham, the well-known Chicago writer, has given her admirers new cause for delight in "The Inner Flame." It is the story of a young mining engineer of strong artistic tendencies—his struggles and final success. Part of the scene is laid in New York, and Casco Bay figures delightfully, as in other of Mrs. Burnham's stories. This is her twenty-first novel, and many will say it is her best. This new tale is the sort of book which mothers and aunts are looking for for their young relatives who are casting longing eyes toward the "best sellers," many of which are doubtfully strong meat for them, and it is as well a book which must charm older readers who care for honest hopes, cherished ambitions, and the unspoiled freshness of youth. It is the pleasant story of a boy with artistic ability, chained to his father's profession, that of mining engineer in the West, because of lack of money to study art. An unknown aunt, an unsuccessful artist, leaves him at her death a small competence and he hastens to New York to begin his dreams. His experiences there, his manly way of standing by the people who have helped him, his bravely merry way of meeting the situations semi-poverty forces upon him—on every page he is the most attractive and jolly young man met for many a day.

There are some other nice young people, two attractive girls, and a young fop all thrown together in intimate social fashion, and the regeneration of the latter and the pairing off of the four, furnish situations delightfully fresh and interesting. Published by Houghton, Mifflin & Co., Boston.

MARY ROBERTS RHINEHART'S NEW BOOK

If you have been to a sanitarium or rest cure you will all the more promptly appreciate "Where There's a Will There's a Way," by Miss Rhinehart, the writer of much acceptable fiction. It isn't one of the heavies, and makes no attempt to settle the social problem. "Where There's a Will" is a story of the light-some sort, the kind one can read or let alone without material gain or loss, either way. It has a certain practical value, however, in that it shows up the peculiar methods of some modern sanitariums, the various "treatments" prescribed, the manner of handling patients, the "doping" of the waters, etc., etc. Also the humors, whims and eccentricities of the patients are described, and their pitiful gullibility in many instances. Altogether it is a good account of such an institution, managed as some of them are.

Minnie, the red-headed spring house girl, whose business is to look after the welfare of patients, tells the story in her own way, and a sprightly way it is. She is the heroine of the love affair, though she is too modest to admit it. There is no tragedy. It is all comedy, not uproarious, but entertaining. The book is published by the Bobbs-Merrill Co., Indianapolis.

have been associated for the last ten years, I have no apologies to offer.

Let me propose this tentative plan of procedure for legislation on this subject in the

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

stood a most vituperative campaign, nothing else matters.

AT last, at last! The U. S. government has decided to accept certified checks for customs dues. This will be good news in Peoria, which has internal revenue receipts larger than those of any other whole state. The old plan compelled the Peoria banks to keep wads of cash on hand.

THE U. S. is the slowest coach in the van in matters financial. Now, the doors of the subtreasuries should be opened, and the millions of idle money which they contain put to some good use in the good banks of the country. Why not?

NOW Editor Hooke is mixed up on Illinois affairs. His excellent paper says that "Hezekiah G. Henry will continue to lead the fight for state supervision." Hez. is chairman of the private bankers' committee of the Illinois association.

ANOTHER one. The "Age" has John D. Phillips down as "president of the Chicago-Illinois Private Bankers Association." Uncle Phillips, besides running a Sunday school and owning a few race horses (all winners), is the real president of the Illinois Bankers Association. Mr. Phillips, according to the "Age," is "opposed" to supervision, while Henry is "one of its most ardent advocates," etc.

WE do this just to keep peace in the family down where they all keep crape on the picture of the "round robin," which was only crippled at Briarcliff, but which was deeply interred at Detroit.

"WE are sorry to report" that Philip Hoffman, private banker in St. Louis, "kept no books for the last four years," and consequently was unable (in court) to explain what became of his \$60,000 in deposits.

ALSO that Tripp Bros., private bankers of Indianapolis and North Vernon (in court), report \$140,000 "invested" in Mexico. The Union Trust, Chicago, has been enjoined from disposing of any of Tripp Bros.' securities which it may hold.

ABILL is being prepared and will be introduced into the next session of the state legislature of Ohio to compel savings institutions doing business in the state to issue a bond to the state for an amount equal to their total deposits, thereby insuring depositors against loss.

ANNOUNCEMENT is made informally by Hayes & Co., who have for several years operated the private banking institution known as the Clinton Bank at Clinton, N. Y., that on and after January 1, 1913, the business will be converted into a national bank.

THE administrative committee—Phillips, Montgomery and Aisthorpe—of the Illinois association held its first formal meeting in Chicago headquarters on Monday.

THEY didn't accept, but neither did they allow the withdrawal of Crampton's brain-storm resignation. Mr. Phillips felt in a measure bound by his letter to Crampton where he qualified his prompt acceptance by the phrase "if you are still of the same mind." Then he got a pre-dated withdrawal.

THE committee will refer the resignation to the mid-year meeting of the council, "unless something happens" in the meantime, such as neglect of, or disobedience of orders, in which case the committee will promptly accept and end the fiasco.

NONE of "the innovations" were passed upon by the committee. All were turned down. "Get busy," was the chief advice offered. The administrative committee is in no mind to temporize nor to condone "breaks." The general good of the whole membership is the watchword. No salary promises were made. The ice is very, very thin.

ACOUPLE of counterfeiters sold their outfit the other day, saying that nowadays a dollar buys so little there's nothing in the business. They have bought a farm.

COMPTROLLER MURRAY thought so well of a paper read by Herbert E. Johnson, examiner for Michigan, at the Chicago district meeting, that he has had it sent out in pamphlet form. It treats of "The Law and Bank Examinations." Copies can be had by addressing the comptroller's office.

"WILL I get back, when I need it, the money I am depositing in this bank?" says Mr. Johnson, is asked by every man, woman and child, by right, and the only answer is persistent, competent examination and supervision.

MR. JOHNSON says that Murray should hang a sign up over the door of the comptroller's office saying, "The examiner who loses a bank through neglect and inefficiency shall enter here no more."

HE believes the chiefest weakness of the present law is the fee system. The country examiner does not receive proper compensation.

NATURALLY, any examination which does not disclose the actual condition of a bank and the value of its "paper" is a failure. Lack of time and small pay are the known shortcomings of the system.

IN Michigan district there are 96 national banks, and the income of the examiner's office from fees, for twice-a-year examinations, is \$4,560. The state banks for the same service would pay \$11,500, and the rate is only one-hundredth of one per cent on footings when above the minimum fee.

BBETTER pay would get better men into the government service, and better pay and better men would give more certain results—more efficient examinations.

THEY say that James J. Hill, not being satisfied with having put the new depot in St. Paul, and with his proposed big banking combine is further plotting to put his burg back on the map by transplanting Joseph Chapman from Minneapolis.

THE "old man" will be hard to head off if he means it. Arthur Rogers says he'll not stand for it. And we kick, also.

THEN there's Lewis E. Pierson, with visions of a great fortune, quitting the banking business in New York to become a grocer. Will wonders never cease?

THE firm into which Pierson has gone as the "financial and managing partner," is one of the largest on earth, easily the largest in America. Whatever comes of it, Lewis E. Pierson will continue to be the "friendliest spot" New York holds out to western bankers.

EVERY bank in Illinois is to receive a copy of the proceedings book of the "Second Annual Conference of the Bankers Committees on Agricultural Development and Education" which was held in Minneapolis and St. Paul, August 7th and 8th this year.

IT will be remembered that President George M. Reynolds of the Continental and Commercial National attended the conference, not as a delegate, but as an interested listener. The addresses of James J. Hill, Edward

Rumely, E. C. Cooley, the university presidents, the teachers of agriculture, impressed him greatly.

ON his way back to Chicago he kept referring to the forthcoming proceedings book as the greatest text book possible to compile on better farming and better educational methods.

NOW that copies are available, he has ordered a supply for every bank in Illinois with the compliments of his great bank.

HE hopes bankers will read the valuable book and will talk its contents to the farmer and to the teacher alike; to the business man and the local editor.

IT is a fine spirit that leads such big, busy men as Mr. Reynolds to put a powerful shoulder to the wheel. We fancy Joseph Chapman will be greatly pleased.

PRESIDENT GWIN, down at the Indianapolis convention, was big enough to follow after the Detroit convention plan, and to have his chairman of the committee on agriculture preside at his "agricultural session."

HE had the goods, too. President Joseph Chapman of the "Conference" was there to "lead the experience meeting" and B. F. Harris got off a regular Janeadams-Outlook uplift talk, quoting scriptural and progressive injunctions to beat the band.

IT was a fine meeting and in the better farming line Indiana hopes to rank with her already better schools system. CASHIER.

NATIONAL BANKERS DISQUALIFIED

Three of the Taft electors in Illinois have been compelled to resign because they either are directors or officers of national banks. The law prohibits any person holding any position of "trust or honor" under the federal government from serving as elector, and this phrase has been held to apply to persons officially connected with national banks. The bankers disqualified are William Grote of Elgin, John Y. Whiteman of Biggsville, and Everett W. Wilson of Pekin.

LIST OF POSTOFFICES

Chicago and Cook county bankers, by addressing D. A. Campbell, postmaster, can secure a printed alphabetical list of postoffices and towns, and local names of towns not having postoffices in Cook county, which shows both the township and the office of supply. This little pamphlet will be of decided advantage to the men in the transit departments and will assist materially in the routing of items to and from outlying banks.

NEW BANK AT ROCHESTER, ILL.

A new bank to be known as the State Bank of Rochester, Ill., recently has been organized at that place. It is capitalized at \$25,000 and takes over the business of Brown & Co. The incorporators are F. B. Harcourt, Thomas Thornton, Dr. J. M. Bell and others.

GERMAN BANKS REFUSE TO ENTER SYNDICATE

Fear that the proposed petroleum monopoly under the auspices of the German government was a one-sided agreement unduly favoring the interests of the Deutsche Bank, was the cause of the refusal of several other banks to enter the syndicate.

NEW LOUISVILLE BANK BUILDING

Directors of the German Bank of Louisville, Ky., are said to be contemplating the erection of a new bank building to cost in the neighborhood of \$150,000.



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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

OCTOBER 26, 1912

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

State Supervision

The Chicago city council went on record Tuesday night of this week as being unanimously in favor of state supervision of private banking. The committee which had been appointed to draft an ordinance for the city council in reality reported the draft of a bill to be offered for passage in the legislature at Springfield. The bill as prepared gives the state absolute control over private banks and was referred to the committee on state legislation with a recommendation that every possible effort be made to have it passed at the coming session. There are many provisions for the safety of the money of depositors. Ten thousand dollars cash capital will be required and the usual reports must be made to the state auditor. The bank shall issue certificates of stock and must publish a list of officers. Its accounts are to be audited by state representatives every twelve months and depositors are to have a first lien on the assets. Loans to bank officials are limited to 30 per cent of the bank's assets, and there are other regulations mentioned in the bill.

It was explained by Alderman Cermak that the draft was made by the corporation counsel, who gave it as his final opinion that the city does not possess sufficient power to regulate strictly private banks. The committee and the corporation counsel decided it was advisable to have the state legislature act upon the matter rather than to have it passed by the city council. There was no opposition to the measure and it was handed to the committee on state legislation by a unanimous vote.

The draft of the bill introduced in the city council on Tuesday evening, by Ald. Cermak was taken from the Indiana statute on the same subject,

It applies to every partnership, firm or individual transacting a banking business within the state, or using the word "bank." The minimum capital stock permitted is \$10,000, which may be increased by an agreement in writing signed by the partners or shareholders of two-thirds of its capital stock. Each partnership, firm or individual engaged in such business is required to make a statement to the state auditor, which statement shall include the name of the bank; a copy of the articles of copartnership and agreement, if a copartnership, under which the business of the bank is to be conducted, which shall be executed and acknowledged by all of the parties interested therein, and at least one of whom shall be at all times a resident of the state of Illinois. If a banking business is being or is to be transacted or carried on by an individual, such individual shall at all times, while in such banking business, be a resident of the state of Illinois. The statement also must show the state, county, and town in which the bank is located, the amount of capital paid into the business and to be kept and maintained at all times in the business; that the aggregate responsibility and net worth of the individual members of such firm or partnership or individual is equal to an amount at least double the amount of the capital paid into such bank and the names of the officers who are to manage the business must be published.

(Continued on page 9)

Two Leaders in Association Work



WM. A. HEATH
CHICAGO
President-elect Bankers Club of Chicago



FRANK A. DRURY
BOSTON
Vice-president A. B. A. for Massachusetts

NEW OFFERING BY HARRIS TRUST

The Harris Trust and Savings and Spencer Trask & Co. are bringing out in this market \$2,000,000 Wisconsin Gas and Electric first mortgage 5 per cent bonds due June 1, 1958.

The company does the entire gas business in the cities of Racine and Kenosha, and the entire electric light, power and street railway business in Kenosha, the cities served having a population of over 60,000.

The bonds are secured by a first mortgage on all the property of the company, and are being offered by the banking houses at 98½ and interest.

RETURNS FROM MISSOURI

J. Fletcher Farrell, vice-president of the Fort Dearborn National of this city, has returned from a trip to Missouri, where he attended the group meetings held there last week. When interviewed this week Mr. Farrell said:

"The group meetings which I attended were very successfully conducted. A large number of bankers were present, Illinois being well represented in the attendance. The entertainment afforded by the Missouri bankers was of the highest order of excellence, their hospitality being most gratifying to those who were so fortunate as to participate in it. Groups 1 and 6 held a joint meeting at Hannibal on October 17th, and the members of both groups were out in force.

"Business conditions in Missouri are very good, and there is increased activity in all lines. Crops this year are fine and their marketing will be reflected in increased prosperity. The

banks are in a flourishing condition; deposits are well up and loans are being made at good rates. No difficulty has been experienced by the banks in financing the crop movement. Missourians are greatly encouraged by the present favorable conditions and are very optimistic as to the future. The indications are that Missouri will go democratic this year by a large majority. However, the political situation is not having any appreciable effect upon business conditions."

BANKERS VISIT VANCOUVER, B. C.

George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings, accompanied by J. L. Martin of Estabrook & Company, Walter A. Graff of McCoy & Company, Jos. A. Rushton of Babcock, Rushton & Company, Richard FitzGerald, Hibernian Banking Association, George Leach of A. B. Leach & Company, and Jos. W. Harris of the latter firm, and a number of other Chicago business men are in Vancouver, B. C., inspecting the properties of the Powell River Company, Limited. The party was accompanied by Felix T. Hughes of the Mississippi Valley Trust Company, St. Louis, and F. A. Chamberlain, president Security National; A. A. Crane, vice-president First National; C. W. Decker, Northwestern National, and E. M. Stevens, Stevens, Chapman & Co., all of Minneapolis. M. J. Scanlon, A. S. Brooks and B. F. Nelson of the Powell River Company are also with the inspection party.

Fayetteville, Ark.—The Guaranty Trust Co. is incorporated with \$10,000 capital.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

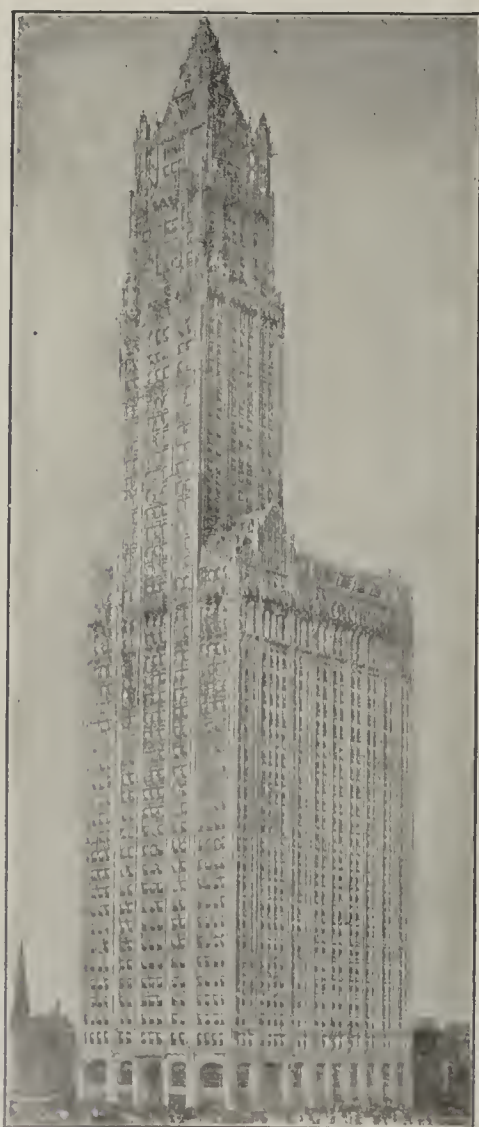
GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON - President
JAMES E. NICHOLS, Vice-President

ROLLIN P. GRANT - -
WILLIS G. NASH - -
BENJ. F. WERNER - -
CHARLES H. IMHOFF - -
EMIL KLEIN - -

Vice-President
Vice-President
Vice-President
Vice-President
Vice-President

HARRY E. WARD - - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, JR., - Assistant Cashier
J. FRANKLYN BOUKER - Assistant Cashier
SAMUEL REDFERN - - Assistant Cashier

Mainly About Banks and Bankers

BANKERS CLUB of Chicago held its opening meeting and banquet for the season at the Blackstone on Saturday night. William A. Heath is the new president and presided at the speaker's table.

THE orator of the evening was B. F. Harris, of Champaign, who was accompanied to the dinner by Theodore Roosevelt, Jr., which gave the occasion a rather "progressive" aspect. Mr. Harris spoke very eloquently and feelingly and was listened to attentively.

ANDREW RUSSEL, republican candidate for state treasurer, was among those in attendance from down the state, and expressed himself as delighted with Mr. Harris' talk. It was his opinion that he "did himself proud."

BANKERS are very human after all, and hundreds of inquiries have been directed to this office since the publication of the announcement of the retirement of Lewis E. Pierson from the presidency of the Irving National of New York. Many of them want to know the "real reason," and others are curious to know "why he quit."

ONE persistent inquirer wanted to know "who was after him," and was very indignant until he was quite well assured that Mr. Pierson had retired of his own motion and much against the will and desires of his directors.

WILLIAM A. TILDEN, president of the Fort Dearborn National of this city, is a director in the Irving. It is quite well known that he made several trips to New York and remained several days each time, which usually is much against his notion of profitably employing his time. His sole purpose was to induce Mr. Pierson, if possible, to remain with the Irving. You can take Mr. Tilden's word for it that he was only one of a board, every member of whom felt exactly the same way about it.

THE story goes that the partnership which Mr. Pierson has acquired has profited its former owner in the past five years something like a million, six hundred thousand. If you had a chance to attach yourself to a position of this kind, what would you do? Go to it, most likely!

THE Irving National under Mr. Pierson's administration has grown from two to fifty millions or more. It has moved progressively from a back street in the commercial district to one of the most prominent locations in the city of New York. Stockholders have received increased dividends and a number of cash and stock disbursements, making their participation in the Irving very profitable. It is likely that, having made a lot of money for other people, Mr. Pierson could not resist the opportunity of making a bunch of it for himself. He is one of the youngest men ever elected to the presidency of the American Bankers Association, and it is not saying anything against any of the others to comment upon his unrivaled popularity with the

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

Will Buy a Bank

An experienced Illinois banker will purchase substantial interest or control of either State or National bank in territory tributary to Chicago. Answers in confidence. Abundant references. Prompt replies. Address

B. B., Care of Chicago Banker
407 Monadnock Block CHICAGO

SAFE FOR SALE

Modern Mosler Bank Safe with triple time locks

Address, **J. D. WOOD**
1410 First National Bank Building CHICAGO

members. He has a winning personality and a sense of justice far beyond the common.

HE has authorized an invitation to be extended to his banker-friends throughout the West to call upon him at the new job, when they happen to be in New York. They will receive a cordial welcome and will be able to see at first hand just why a popular bank president in a rapidly growing institution found it irresistible when his great opportunity came.

CASHIER H. E. WARD, in notifying correspondents and customers, stated the whole matter clearly, covering every phase of the motive for retirement. Mr. Ward said:

"THE board of directors of this bank are sorry to announce, that after fourteen of most efficient and successful years in its service and management, most of the time as its president, Lewis E. Pierson to-day presented his resignation as president, to take effect October 31st, Mr. Pierson becoming an active partner in the long established and well-known wholesale grocery house of Austin, Nichols & Company of this city."

"HE has taken this step after long and deliberate consideration, and, while regretting the relinquishment of his activity in banking, he feels the other field offered to him is one he must accept in justice to himself, so that continuing a director and also as chairman of the executive committee, he still remains with us, and we continue to have the benefit of his advice and co-operation."

"MY very material advantage influenced the move," is what Mr. Pierson telegraphed a friend.

AT Boston there isn't likely to be any hotel headquarters in the business sense. The headquarters, the Boston bankers say, will be in offices in the convention hall. This is a fine idea.

RUMOR has it that several Boston bankers will not be averse to succeeding Fletcher Farrell as A. B. A. treasurer. The banks are taking a big interest in the coming convention and the keys of the city will be at Mr. Huttig's disposal.

AMONG the active are Garrard Comly of the Eliot, Thomas P. Beal of the Second National, Downy D. Muir and Frank H. Curtiss of the First, F. B. Sears of the Shawmut and Harry L. Burrage and Daniel G. Wing, two of the heavyweight financiers.

BURRAGE formerly attended all of the big conventions, but lately has allowed Comly to look after the outside interests of the Eliot. He's so rich that banking almost is a side line.

WING is an old Kansas City man and his western training and acquaintance has helped him to do big stunts in Boston as president of the ambitious First National. He's been on the Big Council.

THEY had a story at the Missouri group meetings that Illinois is after their premier secretary, W. F. Keyser of Sedalia. They thought about seven thousand per year would be the least he'd take. He's getting fifty-five hundred now, but then he's put twenty-five thousand to the good in the treasury. They say over there he'd pay his own salary in Illinois and build up a surplus of any desirable size.

THEY say he could get the big Chicago banks in on the bonding and insurance game and the rest would follow. We guess he could do it.

RUMOR in New York is busy with the name of Valentine P. Snyder, one of the big fellow in banking circles. A big consolidation (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. S. BISHOP, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

FIRST NATIONAL BANK MINNEAPOLIS

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
WILLIAM A. FULLER CHARLES L. HUTCHINSON SOLOMON A. SMITH
ERNEST A. HAMILL MARTIN A. RYERSON BYRON L. SMITH

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-nine years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE CAPITAL - \$3,000,000.00 SURPLUS - 5,000,000.00 UNDIV. PROF. 750,000.00

NATIONAL BANK OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr



WE BOOST YOUR BUSINESS AS WE
BOOST OUR OWN. OUR SERVICE
TO YOU MEANS BETTER SER-
VICE TO YOUR CUSTOMERS

THE LIVE STOCK Exchange National BANK
OF CHICAGO

W. D. Vincent American Delegate to Lethbridge

The bankers of the United States have an organization known as the American Bankers Association. The thirty-eighth annual convention of this association was held recently at Detroit, Michigan. The most interesting session of the convention was devoted to the discussion of better farming methods and the banker's relation to the farmer.

A person not connected with the business of banking would not have considered it a meeting of bankers, and might have asked for a reason why bankers are devoting time, energy, and thought to a subject not directly concerning the operation of their business. The banker is vitally interested in the prosperity of his community. He is a public-spirited citizen; he comes in closer contact with more people of a community than the man of any other profession.

Money is the idol of a few, is the best friend of many, and is in closer relationship than a second cousin to all of us, and when we possess more of it than our daily demands, our first impulse is to consult with a banker as to its disposition or investment. For that reason, a banker is the advisor and counsellor of many clients. This position compels him to be a student of the various needs and phases of life. Bankers, in their study of economics, have gone to the fundamental questions, have gone to the basic foundation of things that produce wealth, and their conclusion is that there is none so necessary of investigation as that of the increased product of the soil. The value of the crops in the United States for the year 1912 is estimated by Hon. James Wilson, secretary of agriculture, to be \$9,000,000,000. These little ciphers with the figure nine in their lead staggers one's idea of the proportion of things, but just think for a moment what would be added to the volume of business if that amount could be increased only one-tenth—\$900,000,000—more than the total of all clearings of the New England states for the month of September, 1912.

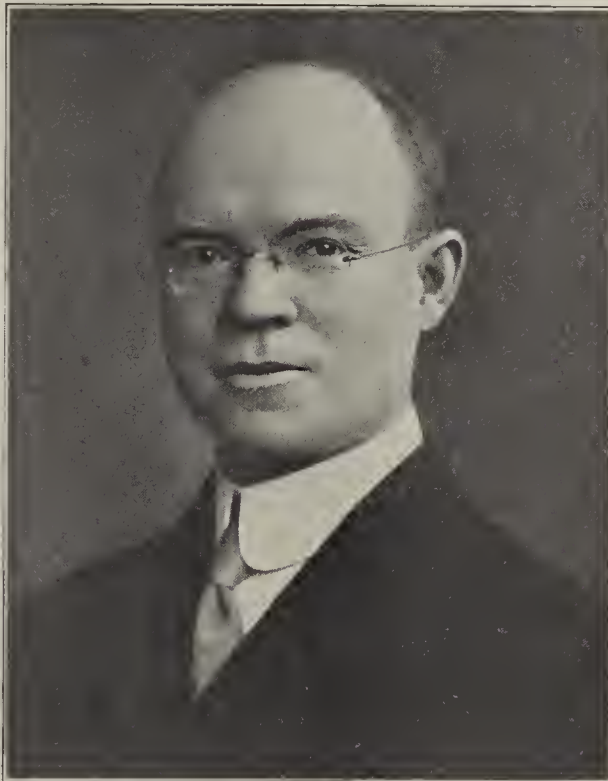
It follows that it is the business of and duty of every banker to be of help to any movement that will aid in increasing the average crop production in his state, nation, province or dominion.

How have the bankers of the United States undertaken to render this assistance? Early in the year 1909, Joseph Chapman, vice-president of the Northwestern National of Minneapolis, Minnesota, suggested to the Minnesota Bankers Association that they consider the questions of agricultural development and vocational education. Mr. Chapman was made chairman of the committee that was appointed to make an investigation of the subject. The first annual report of this committee in printed form is not so large as a penny tract, but it was the beginning of a great movement among the bankers of that state. They discovered that there was a great need for a change in the educational system of Minnesota. School children were being educated to become consumers and were not being trained to become producers. Through the bankers, public interest was aroused to such an extent that the legislature of that state passed a bill authorizing the establishment of agricultural high schools

The Spokane banker representing the "Conference" and the American Bankers Association committee on agriculture and education read a splendid paper at the Dry Farming congress telling what the bankers of the states have accomplished

and the consolidation of rural schools, and made an appropriation to assist in and to carry on the work.

The attempt of the Minnesota bankers to inaugurate a system of agricultural and vocational education was so successful that North Dakota first, and other states in quick succession followed their example. The bank-



W. D. VINCENT
Spokane, Wash.

ers of Illinois, under the leadership of B. F. Harris, vice-president of the First National of Champaign, in 1911 undertook a plan of education and development that has resulted in the introduction of measures in the congress of the United States, the passage of which will give to all parts of our country federal assistance in a manner that is now being given to only a portion of it. Mr. Chapman made addresses on the subject of agricultural education before the bankers associations of several states. Minnesota, Illinois, North Dakota, South Dakota, Iowa, Montana, Oregon, Idaho, Kansas and Washington all appointed committees of their bankers associations on agricultural development and education.

A conference of the members of the committees from these states was called and meetings were held in Minneapolis and St. Paul, October 18 and 19, 1911. Enthusiastic interest was shown in every address that was delivered. Men of national reputation discussed the question of farm management, agricultural

high schools, the operation of the department of agriculture of the United States, betterment of home life on the farm, state colleges of agriculture and extension work and many of the problems of rural life.

The opinion of the conference was expressed in a resolution urging the bankers of every state to appoint standing committees on agriculture, to work for improved agricultural methods, better farm life conditions, and education in agricultural development and domestic science for the farm boys and girls, more especially as provided by the consolidated rural school and the agricultural high schools and other extension services of the various agricultural colleges.

The proceedings of this first conference were reported to the convention of the American Bankers Association at their thirty-seventh meeting at New Orleans in November, 1911. The value of the work and its importance to the nation was immediately recognized by the convention, and a committee on Agricultural and Financial Development and Education was appointed, consisting of Joseph Chapman, vice-president of the Northwestern National Bank of Minneapolis, Minnesota, chairman; B. F. Harris, vice-president First National Bank, Champaign, Illinois; Myron T. Herrick, president of the Society for Savings, Cleveland, Ohio, and now the United States Ambassador to France; Joseph G. Brown, president Citizens National Bank, Raleigh, North Carolina; Edwin Chamberlain, vice-president San Antonio Loan & Trust Company, San Antonio, Texas; W. D. Vincent, cashier Old National Bank, Spokane, Washington. The committee at once took steps to secure the co-operation of the bankers of the United States, and to investigate the foreign systems of farm financing.

The Second Annual Conference of Bankers Committees on Agricultural Development and Education was held in Minneapolis and St. Paul, August 7 and 8, 1912. At this time thirty states had appointed committees. Representatives of twenty-three state committees were in attendance. The report of the first committee to the Minnesota Bankers Association was given in a small pamphlet; the proceedings of the second annual conference of committees are printed in a book of 366 pages, a remarkable commentary on the efforts of the bankers to be of assistance in this great movement, and a remarkable commentary on the growth of the interest bankers have shown in this work. The president of a university has said, "The bankers of the United States are deserving more of their country because of the interest they are showing in rural problems and agricultural education."

Bankers as business men must know the science of efficiency. They must apply their knowledge in the analysis of the financial condition of their borrowers. They believe that the laws of efficiency should be applied to farming methods. The banker is extending to the farmer the right hand of fellowship in a spirit of co-operation. We have passed the age of ruinous competition. We have reached the age where every one must become a factor working for the common good. The banker's

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President
CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased. Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00

Guaranty Trust Company of New York

28 Nassau Street

Fifth Avenue Branch,
5th Ave. & 43d St.

Standard Branch,
25 Broad Street

London Office,
33 Lombard St., E. C.

Condensed Statement, October 16, 1912.

RESOURCES

Real Estate.....	\$1,303,578.51
Bonds and Mortgages.....	665,000.00
Public Securities.....	17,494,399.51
Other Securities.....	44,619,318.92
Loans and Bills Purchased.....	95,078,744.92
Cash on Hand and in Banks.....	39,657,957.19
Exchanges for Clearing House....	10,512,906.84
Foreign Exchange.....	37,910,296.03
Accrued Int. and Accts. Receivable.	391,678.19
	\$247,633,880.11

LIABILITIES

Capital.....	\$10,000,000.00
Surplus.....	20,000,000.00
Undivided Profits.....	3,323,623.78
Outstanding Treasurer's Checks.	6,879,076.62
Accrued Interest Payable.....	820,933.26
Reserve for Taxes and Expenses..	118,589.24
Foreign Accounts.....	17,190,486.28
Deposits.....	189,301,170.93
	\$247,633,880.11

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Levi P. Morton Chairman

Charles H. Allen	Alexander J. Hemphill	Daniel G. Reid
George F. Baker	Walter S. Johnston	John D. Ryan
Edward J. Berwind	Augustus D. Juilliard	Thomas F. Ryan
Edmund C. Converse	Thomas W. Lamont	Charles H. Sabin
T. De Witt Cuyler	Edgar L. Marston	William D. Sloane
Henry P. Davison	John R. Morron	Valentine P. Snyder
James B. Duke	Gates W. McGarrah	Wm. K. Vanderbilt, Jr.
Robert W. Goelet	Charles A. Peabody	Harry Payne Whitney
George J. Gould	William H. Porter	Albert H. Wiggin
Daniel Guggenheim	Samuel Rea	

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William C. Potter, Vice-President	William C. Lane, Vice-President
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James M. Pratt, Vice-President	William C. Cox, Vice-President
William C. Edwards, Treasurer	E. C. Hebbard, Secretary
F. J. H. Sutton Trust Officer	Robert H. Cox, Mgr. Bond Dept.
Charles M. Billings, Asst. Treasurer	F. C. Harriman, Asst. Treasurer
W. F. H. Koelsch, Asst. Secretary	Walter Meacham, Asst. Secretary
J. I. Burke, Asst. Secretary	N. D. Putnam, Jr., Asst. Secretary
E. B. Bulkley, Asst. Secretary	G. W. Williamson, Asst. Secretary
	Zelah Van Loan, Asst. Secretary

success depends upon the prosperity of his community; he is simply an agent of prosperity, the medium through which the business of the nation is measured.

It is in the spirit of co-operation that the banker has taken up the investigation of rural problems; it is in the spirit of co-operation that he offers himself as an assistant to the educators of the country to disseminate the knowledge acquired by scientists and investigators and stored up in the vaults of learning in the agricultural colleges and in the United States department of agriculture. The banker hopes to aid the uninformed by helping them throw open the gates of opportunity so that intelligent effort will be rewarded with better living and the nation secure a more efficient citizenship.

Bankers committees on agricultural development have immediately after their organization met in consultation with their state superintendent of public instruction and the president or representative of the state college of agriculture; state needs have been discussed and a plan of action agreed upon. The effort is first directed to the agricultural education of the young, and then to agricultural demonstration for the old.

The bankers of the state of Oregon raised a modest fund, employed a trained man and placed his services at the disposal of the superintendent of public instruction. Under his direction and with his assistance, 75,000 school children enrolled in a garden contest. Eighty-eight children's fairs were held. Prizes were awarded for the best displays. The prize list amounted to more than twenty thousand dollars. It is indeed inspiring to hear the superintendent tell how the country school superintendents, the live stock associations, commercial bodies, merchants and bankers gave their assistance to a movement that has brought such a change in the education of the young of that great state. Dr. Connell, I am sure, can tell you what the bankers of Oklahoma have done to aid field demonstration work. Growing Kaffir corn was advocated by bankers, and the feed question in Oklahoma is being solved. The bankers of North Dakota are active in behalf of the operations of the Better Farming Association. Extension work is being carried on under the direction of the association. An outline of what they are doing is given in the October issue of Dry Farming, the official bulletin of this congress.

The bankers of the Missouri association have decided upon several lines of activity. They recommend to the bankers of each county to take up the matter of securing a county farm adviser to serve as a practical expert and demonstrator in the county. Bulletins on agricultural topics are to be sent to members and local newspapers asked to give publicity to them. A farm paper will have a Missouri Bankers Association department. Bankers are urged to induce boys in their localities to attend the state college of agriculture. One feature of the work done by the bankers of Idaho that deserves special commendation is their subscription to five of the best agricul-



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000

Deposits . . . 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

tural periodicals, to be placed in all of the schools in the state.

The bankers of every state in the Union are doing something to forward this movement; each state has its own problems. In one, it may be good roads; another, dairying; others, seed selection, better live stock, hog raising, corn, cotton; but above all the special or local problems are the general problems of soil fertility, cultivation and production. The study of soil cultivation gave birth to the International Dry Farming Congress, and just as collateral branches of the problem have been taken into the deliberations of the congress, so has the bankers' interest in the betterment of farming been aroused and enlarged.

Every organization that is working for a larger, broader, better country life must feel gratified over the report issued on the 9th day of this month. The secretary of agriculture of the United States said, "The crops this year are the heaviest on record. The season has been favorable, but some credit is due to the wide efforts made in late years by the federal government and the states to help farmers throughout the country to get better returns from the average acre."

In 1911 we imported potatoes. This year the total yield on 3,689,000 acres is 401,000,000 bushels, an average per acre of 108.8 bushels. Germany's average is 226 bushels; Belgium, 286 bushels. In the state of Washington 400 bushels per acre can be grown. If an increase of the general average could be raised to 128.8 bushels per acre, our crop would equal 468,780,000 bushels; at least enough to prevent the importation of this necessity of life and to provide for the ordinary demand. But do not forget that consumption increases at a faster ratio than production.

Our crop of oats is 1,417,712,000 bushels from 37,844,000 acres, or 9 bushels per acre better than the ten year average. Is that not a splendid demonstration of the value of scientific dry farming methods?

The yield of corn is 3,016,000,000 bushels, an average of 27.9 bushels per acre, against an average in 1911 of 23.9 bushels. If our average per acre could have been 30 bushels, the total would be increased 227,300,000 bushels, which at 50 cents per bushel would add \$113,650,000 more to the value of the corn crop.

England produces wheat at an average of 32 bushels per acre. If the average of the United States equaled that of England, the

value of the crop of 1912 would be \$1,368,823,000.

Our wheat crop this year is 720,433,000 bushels, an average of 16 bushels per acre, compared to an average in 1911 of 12.5 bushels per acre.

An average increase of two bushels per acre would add \$85,345,500 to our wealth.

Comparative statements and statistical facts could be quoted indefinitely. We all know that we have increased prosperity, increased values, an increased acreage; that rotation, selection, soil fertility, cultivation are subjects that receive more attention than ever in our history.

But I am frank to say that they have no value if a debtor's credit has not enhanced in proportion. We have scientific farming, there is scientific management, but when will we, as a nation, learn the science of spending? We spend our earnings before they are paid. We spend the proceeds of our crop before it is harvested. A crop mortgage is the diploma of inefficiency. With a nine billion dollar crop we have a six billion dollar mortgage on the land that grew it, and who holds the mortgage?—the people who have saved something of their yearly income.

One of the great problems that the banker must consider in his relation to the farmer is the rate of interest charged on this immense mortgage. The rate is regulated by the credit

standing of the borrower—better farming means better credit—better credit means better rates. We cannot by simply adopting a foreign system of land loans reduce the rate of interest. With the adoption of the foreign system, we must at least adopt some of the methods that make the system effective.

No foreign system will lend money on an impoverished farm. Are we not, in this country, exhausting our soil? We must restore fertility to the soil as well as principal to the mortgagee. We must not lead ourselves into the thought that the next generation will pay the debt we make, and that a low interest rate is the only solution of our present difficulty.

Banking must become a profession. Farming must become a business. Standards are higher. Methods are better. Improvement in everything is being made. The farmer has come into his own, and the evolution in agricultural education has made life on the farm worth living.

IMPORTANT BOOK ON THE NEW REPUBLICAN CHINA

John Stuart Thomson, the China traveler and author of "The Chinese," will have out, late this season, a large new book entitled "Revolutionized China," illustrated both by choice colored plates by Chinese artists, and by many unusually fine photo half-tones and colored maps. Among the photos are those of the leaders of the new republic. The book of 600 pages will be published in America by the Bobbs-Merrill Company, and in London by Werner Laurie. It is promised that it is a most important work by a traveler and economist who spent three years on the ground. It will cover the whole new republican China of to-day and the future, in thirty fields, in its relation with America, Britain, Japan, etc. After his long stay in China, Mr. Thomson made a trip around the world via Japan, India, etc., to study the trade and political relations of the various nations with the new China, which the Panama Canal is bringing much closer to the American business man and statesman. D. Appleton & Co. of New York have just published Mr. Thomson's child story of China entitled "Bud and Bamboo." It is tastefully illustrated by cuts made from photographs which the author took on his travels in China.

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ORGANIZED JANUARY 17, 1807
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Capital - - - \$ 1,500,000
Surplus and Profits (earned) 2,270,000
Deposits, over - - - 25,500,000

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REAL ESTATE LOAN DEPARTMENT FOR FORT DEARBORN TRUST

Fort Dearborn Trust and Savings Bank of this city announces the opening of a real estate loan department to facilitate the making of first mortgage loans on improved Chicago realty. It will have on hand at all times for sale to the customers of the bank a line of high grade mortgages and mortgage bonds, a list of which may be had on application. The department will be located on the third floor of the bank, adjoining the trust department, and will be in charge of F. A. Myren.

LASALLE STREET NATIONAL CON- VERTED TO STATE BANK

Conversion of the LaSalle St. National Bank of Chicago into a state institution was effected this week, when it became the LaSalle Street Trust and Savings Bank. Capital is \$1,000,000 and surplus \$250,000. For the present the business will be carried on in the same quarters which were occupied by the national bank. Before the end of the year, however, they will move into the building lately vacated by the Farwell Trust Company. Officers are as follows: William Lorimer, president; C. B. Munday, vice-president; Charles G. Fox, cashier; Thomas McDonald, assistant cashier; Frank Spoor, auditor; Charles E. Ward, secretary and trust officer and Elbridge Hanecy, counsel. It is said that the change was made to enable the bank to carry on real estate, trust and other branches of business not permitted under a national bank charter.

D. R. FORGAN TO SPEAK IN NEW YORK

David R. Forgan, president of the National City Bank of Chicago, is to be one of the speakers at the eighth annual banquet of the Canadian Club of New York, to be held at the Astor House, November 12th. His subject will be "How to Avoid Another Panic."

"THE FLYING SQUADRON OF AMERICA"

At the dinner recently given by G. H. Mueller, vice-president of the Fletcher-American National at Indianapolis, to traveling representatives of banks in the larger cities, there were about thirty persons present. The dinner was given at the Columbia Club in Indianapolis, and about a billion dollars in assets were represented at the gathering. A temporary organization was effected, of which G. H. Mueller is president and F. J. Woodworth, third vice-president of the First National of Cleveland, is secretary and treasurer. A committee was appointed to select a meeting place in some central reserve city, at which time the permanent organization will be effected and officers elected. Chicago was decided upon as the place for the first meeting, and December 14th is the date.

As expressed in the articles of association, the purposes and objects of this organization are to "foster, protect and advance the banking interests generally, as well as the banks represented by the membership; to encourage integrity and good faith, just and equitable principles, and to discover and correct abuses; to prevent and adjust controversies; to disseminate information and statistics; and, in general, to promote the welfare and social intercourse of its members." It also is provided that no subject shall be discussed at any meeting which will in any way conflict with the interests of the American Bankers Association or any state bankers' association. The name of the association is "The Flying Squadron of America."

The charter members are as follows: Hervey W. Beggs, Third National, St. Louis; William McB. Bell, The Bank of Pittsburgh; A. E. Coen, Colonial Trust and Savings, Chicago; Addison Corneau, Central Trust Company, Chicago; F. A. Crandall, National City Bank, Chicago; C. L. Doty, Fourth National, New York; George Hoyles Dunscomb, First National, Chicago; Richard J. Faust, Jr., Irving National, New York; Edward E. Gates,

Mason and Gates, Indianapolis; J. F. Hagey, First National, Chicago; Wilbur Hattery, Continental and Commercial National, Chicago; Craig B. Hazelwood, Union Trust Company, Chicago; Wilson W. Lampert, Continental and Commercial National, Chicago; James R. Leavell, Mechanics-American National, St. Louis; Howard J. Lyons, American National, New York; Robert McEvilly, First National, Cincinnati; James P. McKelvey, Exchange National, Pittsburgh; Howell T. Manson, Hanover National, New York; Gustav H. Mueller, Fletcher-American National, Indianapolis; Samuel M. Richardson, Citizens National, Cincinnati; Edward F. Schoeneck, Corn Exchange National, Chicago; Edward Seiter, Fifth-Third National, Cincinnati; William P. Venable, Mechanics and Metals National, New York; J. G. Wakefield, Corn Exchange National, Chicago; Oscar E. Weiss, Farmers and Mechanics National, Philadelphia; Fred J. Woodworth, First National, Cleveland; and H. S. Zimmerman, Mellon National, Pittsburgh.

Members of the executive committee are as follows: George Dunscomb, assistant cashier, First National, Chicago; H. S. Zimmerman, assistant cashier, Mellon National, Pittsburgh; F. J. Woodworth, vice-president, First National, Cleveland; Richard Faust, Jr., assistant cashier, Irving National, New York; James Leavell, Mechanics-American National, St. Louis.

The committee on arrangements for the annual meeting is as follows: F. A. Crandall, vice-president, National City Bank, Chicago; J. Fletcher Farrell, vice-president, Fort Dearborn National; James G. Wakefield, assistant cashier, Corn Exchange National; J. F. Hagey, assistant cashier, First National, and Wilbur Hattery, assistant cashier, Continental and Commercial National, all of Chicago.

The articles of association as drawn up may be ratified or changed at the initial meeting in Chicago on December 14th.

Climax, Ga.—The Farmers Bank has been organized with \$25,000 capital.

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital - - \$2,000,000
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 Deposits - - 31,000,000

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 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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STATE SUPERVISION

(Continued from page 1)

Certificates of stock must be issued. There must be posted in every such bank a printed list of all the owners or parties interested therein; also a statement that it is a private bank. Reports are to be made each year, under the oath of the president, cashier, or other managing officer. Said report shall exhibit in detail the resources and liabilities of the bank at the close of business on any specified day, and it shall be made within five days after a request therefor has been received. The statute says that it must be published in a newspaper. The penalty for non-compliance with this provision (report) is a fine of not less than \$100 nor more than \$500, which money shall be placed in the common school fund of the county in which the bank is located.

Once every twelve months, or as often as may be deemed necessary, examinations of the bank are to be made. If the bank holds property in trust, the fact of such trust, the nature and character thereof, the acceptance of the same and the amount so held, shall be set forth in an instrument to be executed by the trustee and acknowledged by him before a notary public. Within fifteen days after the execution of such instrument it shall be recorded in the office of the county recorder. Within thirty days thereafter, the original instrument, together with the certificate of the county recorder, showing that it has been duly recorded, shall be filed with the state auditor. If the instrument is not so filed and recorded, and a bank is wound up either voluntarily or involuntarily, said trust property shall be considered as a part of the assets of said bank, providing the remaining assets are not suffi-

cient to pay the bona fide claims of depositors. The depositors have a first lien on the assets of the bank. Loans to officers are limited to 30 per cent of the capital. Such partnership, firm or individual can sue or be sued in the name of the bank.

Violation of any of the provisions of the act is punished by a fine not exceeding \$1,000, to which may be added for the second offense imprisonment for any term not exceeding two years.

COOK COUNTY REAL ESTATE BOARD TO DISCUSS GOOD ROADS

Morton T. Culver, president of the Cook County Real Estate Board, announces that their membership will discuss the subject of good roads at their regular meeting to be held at the LaSalle Hotel at noon, October 29th. William G. Edens will tell of the work of the Illinois Highway Improvement Association, of which he is president.

CHAMPAIGN BANK INCREASES CAPITAL

The First National of Champaign, Ill., has increased its capital stock from \$65,000 to \$100,000. This is the bank of which B. F. Harris, ex-president of the Illinois Bankers Association, is vice-president.

POSITION WANTED

Want position as Assistant Cashier in town of 15,000 up. Single man with twelve years experience in a state bank. At present cashier of small state bank but relations are not pleasant. Highest references from present employers. Am especially adapted to meet the people and get business as I took my present bank and doubled it in one year. Address,

X. O., Care Chicago Banker

BANKERS RETURN FROM PYTHIAN CONVENTION

A large number of bankers were in attendance at the Pythian Grand Lodge convention held in Rockford last week. Among those who passed through Chicago on their way home are the following: Grant Taylor, cashier Flat Rock (Ill.) Bank; Mr. Taylor says that the discovery of additional oil wells in his section of the state has stimulated business substantially; Walter H. Dey, assistant cashier of the banking house of C. H. C. Anderson, Carlinville, Macoupin county, Ill. This banking firm is the oldest and largest bank in Macoupin county; Judge John B. Vaughan of Carlinville, receiver for the Bank of Blodget Bros. & Co., Brighton, Macoupin county.

CHICAGO'S VISITORS

The following out-of-town visitors were in Chicago this week: George W. Peltier, vice-president California National, Sacramento; Judge George P. Turner, president of the Farmers State Bank, Vandalia, Ill.; A. G. Smith, president City National, Clinton, Ia.; Millard F. Dunlap of Jacksonville, Ill.; Albert Watson, president of the Ham National, Mt. Vernon, Ill.; Edwin R. Wright, cashier of the First National, Taylorville, Ill.

PURCHASES CONTROLLING INTEREST IN BELOIT BANK

P. B. Yates has purchased from Wilson B. and Fred M. Strong the controlling interest in the Second National Bank of Beloit, Wis. B. P. Eldred, cashier of the bank, will be the new president. This institution was organized thirty years ago by L. H. Parker.



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The Illinois Bankers Association has always been active in urging the most careful and conservative management of the natural resources of the state and especially of the soil. It is evident to many of the foremost workers in the state association that less attention is being paid to dairy manufactures by the farmers of the state, and there is a desire on the part of the state officers that each and every banker do all that he can to urge better and more extensive dairying among the farmers of his home locality. With the prices of milk and butter constantly soaring, there is every reason to believe that higher prices for dairy products will prevail unless there is more attention given to this branch of agriculture.

It is worthy of mention that scores of Illinois farms which command such high and constantly increasing prices are almost destitute of cows and hogs. Many of the farms are tilled by tenants, the owners residing in some good town near by, and the only animals on many farms are the work horses and the milk cows of the tenant, the cows usually from one to three in number. Some tenants feed a few hogs, and sheep are kept on comparatively few farms. Beef cattle are very scarce on Illinois farms, being raised more by so-called "extensive" farmers.

That these conditions obtain as a result of the tenant population is without question. Of course it would be unfair and hasty to say that there are not many farms in the state where an abundance of dairy and beef cattle, hogs and sheep are fed, yet it is to be doubted if most of the farms in the central part of the state support much live stock. There are exceptions in all directions, of course, varying all the way from the exclusive dairy farms around Chicago to the exclusive grain farms down-state, where the only animals are the horses and a very few milk cows. Corn and oats farming, rather than the feeding of live stock, seems to be the rule with the many tenant farms of the state, and as a result the state can market a much smaller per cent of live stock than the cities require. Indeed, many of the smaller towns of the central part of the state often require creamery butter for local consumption, while the local meat markets ship in packing house products.

It has been estimated that in portions of one of the largest and best agricultural coun-

ties of the state less than fifty per cent of the farms are occupied by the owners. Such facts lead to tenant conditions with poor schools, roads, churches, and, in many cases, poor farm improvements. That there is an abundance of work for the leaders along the ideas of soil conservation, improved roads, better schools, and more comfortable farm homes, goes without saying.

New Bank at Centralia

The Centralia Trust and Savings Bank, the third bank in Centralia, has begun business with a capital of \$50,000. J. F. Mackey is the president, H. G. Cormick and Max Prill are vice-presidents, and A. J. Guerrette is the cashier. The other two banks in Centralia are the Old National, established in 1865, and the Merchants State Bank, established in 1900. Centralia is one of the growing towns in southern Illinois and there is plenty of room for the new bank.

Bank Yeggmen Begin Operations

With the coming of the long nights of the autumn season, the yeggmen are beginning their operations and two banks in one county have received midnight calls from bank burglars. The Farmers Bank of Goodwine, Iroquois county, was entered by yeggmen, but the noise caused by their explosions awakened citizens who gave the fleeing blow-up men a lively chase. It is thought that the yeggmen boarded a south-bound Chicago & Eastern Illinois train for St. Louis. Nothing was secured, and a price of \$200 each has been set

for the capture of the yeggmen, dead or alive. Another Iroquois county bank molested was the bank of J. Sumner & Sons of Stockland, only a few miles from Goodwine, but again the yeggs were frightened away. Whether or not the same men operated in the two towns is not known, but doubtless there is some connection between the two incidents. Bankers in country towns need to take the greatest precaution, especially during the months of October, November and December.

Automobile Accident Fatal

George W. Cole, president of Cole's Trust and Savings Bank of Bushnell, has received word that his brother, Harry Cole, was killed in an automobile accident in Omaha, Nebraska. The Bushnell banker went at once to Omaha and brought the body to his home city for burial.

Illinois Prosperity

The prosperity of the state is reflected in the following items, as straws showing the direction of the industrial wind: Work has been begun on a \$100,000 paper mill at Averyville, near Peoria; the Toledo, Peoria and Western Railroad will lay 500 tons of new steel and the Wabash will double-track their lines; the Rockford Malleable Iron Works is erecting new buildings as the old ones are inadequate; the Pattee Plow Company of Monmouth announces that it will run all fall and winter to

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ESTABLISHED 1862
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fill the orders now on hand; the Elgin, Joliet and Eastern Railroad has ordered twenty new locomotives; and the Bonner Manufacturing Company of Champaign, makers of fine tools, announce that they have already enough orders to keep them busy until next July.

McLean County Bank of Bloomington

The McLean County Bank of Bloomington is one of the growing banks of that city. A good location on the east side of the square is occupied by the bank, and, while it has only been in business since 1903, the growth of deposits and loans is fully satisfactory to the officers of the bank. James P. Hackett, cashier of the bank, attended the Peoria convention and made many friends with Illinois bankers.

G. F. Carson of Peoria

A large number of Illinois bankers had the pleasure of meeting J. L. Pettyjohn and C. F. Pettyjohn, of the mortgage loan firm of J. L. Pettyjohn and Company of Olathe, Kansas, while at the Peoria convention. The Illinois representative of this firm is G. F. Carson of Peoria, with offices in the Jefferson Building. The Pettyjohn deal in the best of Eastern Kansas farm mortgages, and Illinois bankers desiring investments of this kind are invited to correspond with Mr. Carson. The latter is represented on the road by his son, R. P. Carson.

Illinois Notes.

J. L. Jones, cashier of the First National of Henry, Marshall county, was married October 21st to Miss Elizabeth Broadus. Both are graduates of the University of Illinois.

The Alton Board of Trade has been admitted to membership in the National Association of Chambers of Commerce, the first city of this size in Illinois to be thus honored. Alton is one of the good business cities in the outer suburban belt of St. Louis and there are many able bankers and business men in that city. D. A. Wyckoff, cashier of the First Trust and Savings Bank and retiring treasurer of the Illinois Bankers Association, is especially well known to Illinois bankers.

J. E. Whitman, for several years assistant cashier of the First National of Hoopston, has resigned his position because of a desire to change climates and has accepted a position with one of the banks in Los Angeles, California.

William H. Nicholson, for many years with

the Millikin National of Decatur, is dead after a lingering illness of five months.

B. F. Harris, vice-president of the First National of Champaign and a former president of the Illinois Bankers Association, was a speaker at the opening banquet of the Bankers Club of Chicago, October 19th.

M. F. Dunlap, president of the Ayres National and of the private banking firm of Dunlap, Russel and Company, both of Jacksonville, was elected Grand Keeper of the Exchequer of the Illinois Knights of Pythias at the recent convention of the lodge held in Rockford.

Bloomington bankers report an unusually large amount of Canadian silver to be circulating among the merchants of that city. The banks take it on deposit from their customers but do not pass it out again. It is forwarded to their Chicago correspondents and by them turned over to the Bank of Montreal for redemption.

Land values in eastern Champaign county seem to have reached the top when an eighty acre tract near the station of Royal, and fifteen miles from the cities of Urbana and Champaign, sold for \$325 an acre. Two farms near St. Joseph sold for high prices, one farm of sixty acres bringing \$240 an acre and another of 160 acres selling for \$325 an acre. A farm near Oakwood, a few miles east of St. Joseph, a farm in which former Speaker Joseph G.

Cannon of Danville, was interested, also sold for considerably over \$200 an acre.

Edwin G. Cooley, former superintendent of the Chicago schools, who has advocated vocational education in the schools for several years, recently addressed an audience of 500 teachers at Galesburg on this subject. Vocational education is an important part of the new and sound doctrines of the various bankers' associations.

Dr. S. S. Boulton, for thirteen years a practicing physician, is the new cashier of the Towanda State Bank, in a village of the same name near Bloomington.

Willard E. Hotchkiss, dean of the School of Commerce of Northwestern University, was one of the speakers at the State Conference of Charities and Corrections recently held in Springfield, speaking from the subject, "Child Welfare as a Problem."

ROCKFORD PEOPLE INTERESTED IN GOOD ROADS

During his four-day stay in Rockford during the Pythian Grand Lodge convention, W. G. Edens, assistant secretary of the Central Trust Company of Illinois, met many Rockford bankers and business men, and learned that Rockford is anxious to have a northern Illinois good roads meeting some time this fall. They appealed to Mr. Edens, as president of the Illinois Highway Improvement Association, to co-operate with them in the matter of holding such a meeting. The city of Rockford and the township in which it is located enjoy splendid roads, and while the outlying roads in Winnebago county and in adjoining counties are very much better than those in other sections of the state, it is desired to consider the matter of their further improvement.

STATE BANK OF ITALY LEASES PROPERTY

State Bank of Italy has leased the property at the northeast corner of Halsted and Taylor Streets for a term of ninety-nine years. The frontage on Halsted Street is 115 feet and that on Taylor Street 112 feet.

Patrick, S. C.—The Bank of Patrick has been organized with \$15,000 capital. W. F. Winhusen, J. A. Winburn and W. O. Tarver are concerned.

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CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
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Herman W. Falk	Geo. D. Van Dyke	Patrick Cudahy	Dr. Chas. E. Albright
Isaac D. Adler	H. M. Thompson	Oliver C. Fuller	Herman F. Wolf
	R. W. Houghton	Charles Schriber	

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

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FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

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Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The third International Dairy Show, promoted by Wisconsin dairymen and cattle breeders, opened in the Auditorium Tuesday night with \$500,000 worth of prize cattle and butter and cheese from all parts of the United States on exhibition. The show is a further indication of the growing competition between farmers and dairymen for the credit of the state's prosperity. Its lesson is one of gratification to dairymen, in that the Wisconsin exhibits compare favorably with those of other states, and the latter are numerous.

Group 5 at Fort Atkinson

The seventh annual meeting of Group 5, Wisconsin Bankers Association, occupied the boards at Fort Atkinson this week. The group is the last to hold its annual meeting, all the others convening before the state meeting in July. State Banking Commissioner A. E. Kuolt and Former Governor W. D. Hoard of Wisconsin were the principal speakers. Discussion of those subjects that are of most interest and most satisfactorily taken up at group meetings was one of the features. Milwaukee bankers attending the meeting included Secretary George D. Bartlett of the state organization; Walter Kasten, Wisconsin National; E. J. Hughes, First National; E. A. Reddeman, Germania National; E. H. Williams, Marine National; F. X. Bodden, Marshall & Ilsley; E. C. Knoernschild, Merchants & Manufacturers, and William M. Post, National Exchange. S. M. Smith, Janesville, is

president of the group and Henry D. L. Adkins, Elkhorn, is secretary-treasurer.

In New Building at First of Year

New Years Day has been set for the probable "housewarmings" of two of the Milwaukee banks for whom new buildings are now in course of construction. The Marshall & Ilsley bank building on East Water Street north of the First Wisconsin National is so near completion that the officers feel confident that the first day of the new year will find them in new quarters. The Second Ward Savings Bank building, on the triangle bounded by West Water, Third, and Cedar Streets, may also be opened for business to friends of the institution on the same day. Both buildings are examples of the highest development of banking architecture and are designed for the exclusive use of the institutions for which they are being constructed. Of the date set for the occupancy of the First National Bank's sixteen-story building at East Water and Mason Streets, Vice-president William Bigelow says: "The building is not far enough advanced as yet to permit the naming of the exact date of occupancy. It may be several months before we can do so." The contractors are still engaged on the foundations of the latter building.

Want River Walk

Three Milwaukee banks will be affected by the recent decision of the federal authorities relative to the proposed river walk along the

east side of the Milwaukee river between Wisconsin and Mason Streets. They are the Wisconsin National, Marshall & Ilsley, and First National Banks, all of which have or will occupy buildings fronting on the river in this area, and were prominently identified with the agitation for the river walk. Although the decision will affect the width of the walk as first planned, forbidding the alteration of the present dock line, the enterprise will be continued with what space between the buildings and the river is still adaptable, according to President Fred Vogel, Jr., of the First National. The proposed walk will provide access to all three banks by means of river entrances which, in the case of the two new buildings, are scarcely less pretentious than the main entrances on East Water Street, and which were embodied in the plans when the river walk project was thought definitely settled.

Corn Growing Contests

Corn growing contests among farmers' sons will be a feature of the crop improvement campaign of the Milwaukee County School of Agriculture, allied with the crop improvement committee of the Wisconsin Bankers Association next year.

Deficit of \$100,000

The statement of I. N. Bushong, Gladstone, Mich., receiver for the private bank of D. Hammel & Son, Gladstone, which went into voluntary bankruptcy three weeks ago, shows



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
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a deficit of more than \$100,000. The liabilities total \$185,110.92 and the assets but \$45,291.68. Among the latter are listed collateral notes with the Citizens National Bank, and Commercial National Appleton; Wisconsin National, Milwaukee, and the Continental & Commercial National, Chicago.

Bank Fails; Goes Insane

Crazed by the knowledge that his life savings of \$400 had been lost in the failure of the bank of D. Hammel & Son, Leon Smith, aged 26, a resident of Gladstone, Mich., was this week committed to the Newberry asylum, Gladstone, by Probate Judge Yellano.

New Wisconsin Banks

Commissioner of Banking A. E. Kuolt has issued a certificate authorizing the Weyerhauser State Bank of Weyerhauser, Wis. The capital is \$10,000. L. F. Lineberg is president and O. W. Wahngrew is cashier.

Commissioner of Banking A. E. Kuolt has issued a certificate authorizing the Farmers and Merchants Bank of Greenwood, capital \$30,000. Charles Cornelius is president and John Huntzicker, cashier.

Howards Grove is assured of a bank, its articles of incorporation having been approved by Bank Commissioner A. E. Kuolt. It will be known as the State Bank of Howards Grove. Its capital stock is \$10,000, and the incorporators are August H. Witte, G. C. Zimmermann and Nic Filz.

GOOD CONDITIONS AROUND MENASHA

J. L. Fieweger, president of the Bank of Menasha (Wis.), says that business conditions in his section are very encouraging. Crops this year have been good, although some delay has been experienced in harvesting them, owing to the wet weather. One of the principal lines of activity up there is the cheese industry. The banks are well loaned up and people are looking toward the future with no apprehension.

Indiana

The Purdue State Bank, a new institution established in 1910 in West LaFayette adjacent to Purdue University, is meeting with great success and has built up a good business not only with faculty members of the university and students, but with business men and farmers as well. Although the city of LaFayette across the Wabash river had nine banks, representing national, state, savings and trust institutions, yet the new bank has enjoyed a satisfactory growth of business. President Stone of Purdue University is a director in the bank. Most of the students of the university do business with the bank, and the handling of their accounts is a hard problem for any bank, inasmuch as they keep for the most part but small balances and write many checks, scores of them for one dollar or less. But the Purdue State Bank is able to handle the mass of items which pass through the bank in a satisfactory manner. A new banking house with the best of bank equipment will soon be erected. B. D. McConnell is the cashier and manager of the bank and T. M. Andrew is the president.

Good Crops in Indiana

Good crops seem to be the rule throughout central Indiana and the prosperity of the farmers and townspeople there is without parallel. Land values are high, many of the good farms commanding prices from \$150 to \$200 an acre. The farmers operate on a more diversified scale than in central Illinois, as they do more dairying, feed more cattle and hogs, and in many ways are really farming better than in portions of Illinois where the virgin soil is farmed so hard. Indiana farmers are for the

most part vitally interested in the great topic of soil conservation, and they use many commercial fertilizers as well as an abundance of clover and animal manure. Silos are numerous and in some districts seem to be located on almost every farm. Corn is cut and placed in the silos and then fed out to live stock, rather than being husked in the field and sold at the grain elevators, as in many Illinois communities.

In fact the silo seems to rival the garage as a new building on the Indiana farm and almost every progressive central Indiana farmer has both a silo and a garage, as he needs both. Many farmers who own but eighty acres run their automobiles and seem to enjoy life to the utmost. The roads of Indiana are noted as being superb and as one Indiana farmer said, "We need automobiles in order to enjoy our good roads."

Indiana will contribute a large part to the prosperity of the nation this year and the bankers of that state are expecting a large volume of business during the fall and winter seasons.

Indiana Notes

The Indiana Trust and Savings Bank, of Indiana Harbor, has announced an increase of capital stock from \$25,000 to \$50,000.

The Mutual Home and Saving Association of Muncie has announced an increase of capital stock from \$1,500,000 to \$2,500,000.

Business men interested in the organization of the Northwestern State Bank, to be established in North Indianapolis, met Monday night and perfected plans for selling the stock and opening the bank. It is expected that the bank will be incorporated and opened for business by November 30th. Subscriptions for stock amounting to about \$6,000 have already been made, and a committee has been appointed to sell the remainder of the \$25,000 of capital stock. The stock subscription committee is as follows: W. W. Maines, Joseph Hogue, Oran Swan, O. W. Brooks, E. M. Schofield, E. W. Johnson, Frank Binford, L. J. Green, T. B. Wright and M. C. Cosler.

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CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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G. M. TRUMBO, Assistant Cashier
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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Oct. 23d.—There is a division of opinion among St. Louis bankers as to the action of the local money market in the near future. Certain well posted bank officials are of the opinion that there will be a slight easing off in rates, due to the return flow of funds from the Southwest, notably Texas and Oklahoma. These gentlemen, while conceding that general business is brisk and lively, and likely to remain so, point to rather large deposits, and the fact that many banks in the Southwest which are usually debtors at this time have paid up and are in the market as purchasers of commercial paper. On the other hand, a large portion of the local fraternity believes the present stiff rates will obtain until well into the new year. They say that while the return of cotton money has been earlier than expected, there are ample sources which will quickly absorb this surplus, and that it will not result in a reduction, or even weakening of rates. The outlook for fall and winter business is the best in a decade, and the commercial demands of home customers will be enormous. Besides, offering of Eastern commercial paper is heavy, and excellent bills with prime names are going at 6 per cent. In addition, the railroads and equipment companies are in the market for goodly sums, and the agricultural needs, while past as a great factor, will appear throughout the winter, owing to the disposition to hold back for higher prices. The corn movement will extend over a lengthy period, both on account of the colossal crop, and because farmers in many localities will not ship unless able to obtain 50 cents per bushel. All agree, however, that western banks will not rediscount any of their paper in New York, and all needs can be easily taken care of without recourse to the East. The manner in which deposits have been holding up, and the aspect of collections, form the basis for this opinion. San Antonio, Austin and Houston banks have been purchasing commercial bills at this market. This is an argument in favor of those holding that money will become easier, but the size of this Texas surplus is problematical, and bankers from that state are likely to run into heavy cotton holders, whom, under their recent profuse promises, they will be morally bound to aid. Clearings here are holding up in excellent shape, though last week's total fell slightly under that of the corresponding period last year. A sharp gain for the year is assured, however, as the gain to date could only be offset by a catastrophe in November and December.

Edwin Gould Optimistic

Edwin Gould, chairman of the board of the

Cotton Belt Railway, passed through St. Louis early in the week on his way back to New York after an extended inspection tour over the lines of his system. He was about the most optimistic railroad magnate who has spoken on the southwestern outlook this fall. "It's fine; everything is fine," said Mr. Gould. "The West and Southwest have magnificent crops this year, and the best business prospects in their history. Business prosperity in that region is assured for at least twelve or fifteen months to come, regardless of the outcome of next year's plantings. There is ample for the railroads to do, and now it is more a matter of getting cars and locomotives enough than seeking tonnage to haul. The prosperity in the section traversed by the Cotton Belt is of a character that will make for the future, as there is surplus enough to put into permanent investments and improvements in farms and commercial and manufacturing enterprises. The country is growing, and nothing can hold it back. Incidentally St. Louis will come in for a great share of the business in the southwestern states."

Hayden Elected to Board

C. E. Hayden was elected a member of the board of directors of the Night and Day Bank at its annual meeting this week, to succeed Anthony F. Ittner. H. H. Hoenchild was re-elected president; W. S. White, cashier and L. A. McGrather, assistant cashier. A. O. Meininger was promoted to the post of assistant cashier. The new board consists of Messrs. Hayden and Hoenchild, W. S. White, F. E. Bryan, W. L. Musick, T. K. Cooper and A. F. Ittner. The Night and Day Bank has a capital and surplus of \$153,000 and deposits of \$295,000.

Commonwealth Trust First

The Commonwealth Trust Company was the fortunate institution in drawing No. 1 in the allotment of municipal funds to the va-

rious depositories. This means that \$500,000 will be deposited with the Commonwealth before a cent of city funds are placed in any other institution. No. 2 gets the next \$500,000, and so on down. There were seventeen banks and trust companies in the running, and all will pay the uniform rate of 3 per cent on the first \$500,000 and 2 per cent on supplemental deposits. The institutions in the order of their drawings are as follows: Commonwealth Trust Company, St. Louis Union Trust, Mississippi Valley Trust, Mercantile Trust, Franklin Bank, Merchants, Laclede National, Central National, Lafayette Bank, National Bank of Commerce, Mercantile National, Mechanics-American National, American Trust Company, State National, German-American Bank, German Savings Institution, Third National and Boatmens Bank. The deposits will be withdrawn beginning with No. 1, so that a fair average will be hit in most cases.

Queer Banking Shown

Some weird banking is being developed in the trials of A. C. Cooke, E. L. Hendry, Abner Davis, J. H. Brooks, W. C. White, G. F. Tonges and others in the United States Court at Memphis. The defendants are accused of using the mails to defraud. One bit brought out was that the American Trust Company of Memphis, capitalized at \$500,000, had a life of two months, during which it earned \$1.19 and had an expense of \$11,000, all of which was paid by certificates of deposit and notes issued in favor of that institution by E. L. Hendry, president of the All Night and Day Bank of Memphis. Judge McCall, who is trying the case, ruled out a motion by the attorneys for the defendants that the government had failed to prove a conspiracy to defraud by using the mails.

To Navigate the Mississippi

St. Louis business men and capitalists are interested directly and indirectly in the Waterways Navigation Company of St. Paul, which has been organized with a capital of \$10,000,000 to operate power boats on the Mississippi River from St. Paul to New Orleans. The stock is being subscribed for in towns and cities along the Mississippi, and a fair block is said to have been taken here. The St. Paul proposition has no connection with a similar project agitated in St. Louis. Efforts of the Business Men's League of St. Louis to establish a barge line from this city to the Gulf, it is understood, have been temporarily abandoned.

R. W. Bonyng in St. Louis

Robert W. Bonyng, former congressman from Colorado and member of the National

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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Sleeping Car to Baltimore 9:15 a. m., Washington 10:25 a. m.

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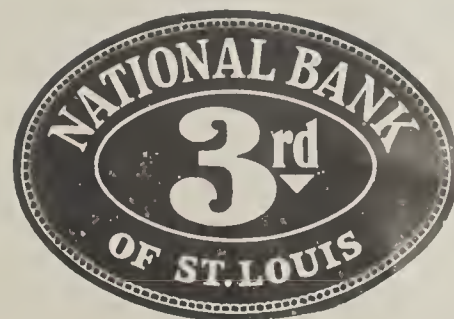
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Surplus
\$2,000,000

Deposits, \$35,000,000

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CHICAGO

Monetary Commission, while in St. Louis last week expressed the opinion that the reform of banking laws is of equal importance with the tariff problem to business interests of the country. While here Mr. Bonyngue was in conference with leading local bankers, among them Charles H. Huttig. "The tariff question will have precedence," said Mr. Bonyngue, "and it may be two years before the currency matter is taken up in earnest, but we are hopeful that the latter question will not be delayed until another panic is at hand. After the election is out of the way, bankers and business men all over the country, regardless of party and creed, will begin activities to secure the needed legislation, and with sufficient urging, it is likely congress will act sooner than present indications would lead one to believe. I believe a majority of the members of both branches of congress are sufficiently impressed with the importance of legislation along these lines not to delay any longer than necessary, and we are hopeful of good results."

Herriott Quits Treasury

D. S. Herriott has resigned as assistant cashier of the United States Treasury at Washington and taken up his residence at St. Louis. He will take an active part in the business of the manufacturing firm of Herriott Brothers & Company, in which he has been a partner for several years. Mr. Herriott is well known in local financial circles and at the St. Louis subtreasury. He installed O. L. Whitelaw, the present assistant treasurer, in office. His last assignment was the examination of the St. Louis office last May, which involved the counting of \$40,000,000 in gold, silver, minor coin and currency. His last official duties in Washington were those of acting assistant United States treasurer.

Trust Company Dines Stockholders

All officers of the North St. Louis Savings Trust Company were re-elected at a dinner given by the company to its 250 stockholders in the hall of the bank building last Wednesday night. Directors and stockholders made short addresses. Officers elected were: President, Louis Boeger; vice-presidents, Edward Pancok, G. Philhofmann and Henry H. Oberschelp; secretary and treasurer, Charles W. Owen.

A NEW BOOK ON MEXICO

E. H. Blichfeldt has written a new book on Mexico, entitled, "A Mexican Journey." This up-to-date work is unquestionably the most important contribution to the literature about Mexico that has appeared since the deposition of President Diaz. Its author lived in Mexico for three years and has recently traveled there extensively. As a result he knows his subject with an intimacy to be gained only from long residence, and this is revealed in a graphic quality of description and vividness of narration that are two most desirable features in a popular book of travel.

Beginning with Yucatan and its henequin plantations, Mr. Blichfeldt makes his way through Vera Cruz, the Isthmus of Tehuantepec, the city of Oaxaca, and Mitla and its famous ruins, to Mexico City. Several chapters

are devoted to the capital and the government, followed by descriptions of trips to Xochimilco, "the Mexican Venice," to the Toltec pyramid at Cholula, and of an ascent of Popocatepetl. The volume closes with chapters on the people and on Mexican customs, the undeveloped resources of the country, and their exploitation by Americans and other foreign peoples. Probably to many readers the impartial summing-up of the political situation and forecasts as to the prospects of the Madero government will prove the most attractive in this eminently satisfactory book.

Published by Thomas C. Crowell & Co., New York, at \$2.00.

NEW CANADIAN BORDER STORY

Holman Day, author of a half-dozen successful tales, is out in a new story—"The Red Lane"—published by Harper Bros., New York, and beautifully illustrated. It is a dramatic tale of the border line between Canada and the United States, and it abounds in stirring situations. The characters are many and well drawn, and there is a real romance running through the book.

A WELL-TOLD STORY

Eleanor Hoyt Brainerd's "For Love of Mary Ellen" (Harper's) is one of the most attractive and most charmingly told stories of the season. It deals with the loyalty and devotion of a high-born little maid to her strangely acquired friend Mary Ellen—a veritable child of the streets, unwashed, unkempt and buffeted about by misfortunes. From these it is the mission of the more fortunate girl to afford relief by ingenious and practical devices interestingly described in the narrative.

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Editorial Comment

NEW FIELD FOR BANK ACTIVITY

A new field for banker activity, especially for state associations, would be along the lines of state, county and municipal extravagances. The taxpayer could stand the graft if the balance of the money were spent honestly for needed improvements and without administrative waste. It is said that:

"Shortly before Mr. E. H. Harriman died he began to take an interest in municipal problems, and remarked that if our municipalities were to reach their highest possibilities of usefulness, it would be necessary for them to adopt uniform systems of accounting, in order that it might be possible for one city to compare its cost units with those of another city, with the same ease with which one railroad could compare its cost of hauling a ton of freight a mile with what it cost another railroad to do the same thing. This remark showed Mr. Harriman's genius for going to the heart of a situation. If such comparisons were possible between cities, a flood of light would be let in upon incompetence or mismanagement in the municipal departments."

A few months ago a fine boulevard pavement was laid along the entire property frontage of the South Shore Country Club of Chicago. The passage of the street was blocked for a month by the pavers. Finally it was finished and they left at evening. Next morning a new gang, city sewer men, arrived and tore up the whole half mile of beautiful pavement and it was six weeks before it was relaid, and oh! the relaying. You wouldn't recognize it. There may have been graft in the contracts—both of them—but there was more loss in needless waste and the boulevard was closed most of the summer. There are thousands of such cases in Chicago every year, and as many elsewhere. The remedy has been suggested by Mr. Harriman. Uniform accounting would point the way. Cities then would be graded just as corporations now are upon the efficiency of their systems. Ten years ago a president of a rich, western railway was consulting with the newly elected president of a poor railway. The new president told how he was going to put all his earnings into improved rolling stock, into better rails, into stronger bridges and in reducing grades and straightening curves. The "rich" president laughed, as he said: "Put your money in the bank. I've twenty-five millions there." Both kept hard at it and along came the uniform accounting system, which enables railroads to know just what it costs for ton mileage on all the roads. Other comparisons are possible. It was found that operating expenses on the road where the improvements had been made by the new president are but 32 per cent of gross, whereas on the road which had the \$25,000,000 in bank it costs 45 per cent and the surplus is used up. Cities should be compelled by law to use a uniform system of accounting so that comparisons with resulting economies can be made.

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

OUR DELEGATE TO LETHBRIDGE

The American delegate to the world's dry farming congress at Lethbridge, Alta., was W. D. Vincent, a busy, progressive banker at Spokane. He was the "long-distance" delegate to the first Chapman conference at Minneapolis-St. Paul, and is a member of the A. B. A. committee on agriculture and education. He has done a world of work in his own and adjoining states, of which he modestly says little in his splendid address, printed elsewhere in this paper. He tells in quiet, effective phrase of our modest beginnings, as bankers, in the work to help the farmer and to improve the country school. He is less technical than some speakers on the subject, but goes straight to the point with figures and convincing logic. The matter has not been better nor more briefly stated by anyone, and the Lethbridge literature has been improved and enriched by Mr. Vincent's contribution, representing the bankers of America.

FINANCING THE FARMERS

That there is need for an improved system of agricultural credit in this country will not be denied. In its perplexity the country has turned to Europe in an effort to find such a system as will be applicable to its needs. The all-important problem with which we now are confronted is the determination of just how far some of the plans recommended by those who have made a study of them are applicable to our needs.

President Taft in a letter which he has sent out to the governors expresses the belief that a co-operative society, as embraced by the Raiffeisen banks of Germany, would about fill the bill, stating, however, that they should be under state control. He also advocates land-mortgage banks under state charters, similar to the *Landschaften* of Germany, and believes that there should be uniform state legislation governing their operation. He also favors national land-mortgage banks with power to guarantee and market the guaranteed debenture bonds of the state mortgage banks.

It is apprehended that some difficulties might be encountered in the adoption of the plan as set forth in the President's letter. It probably would be hard to form co-operative

societies, and especially among farmers. Then, again, it would be difficult to secure uniform state legislation, and the jurisdiction of congress to give a unified effect to such a system under state laws, by means of national agencies, may well be doubted.

While there is great need for some sort of remedial legislation, this ought not to be brought about without a comprehensive study of the subject from all its angles. It is a matter of great importance to the country and one which ought not to be acted upon without due deliberation.

AN EXPERT ON PRIVATE BANKS

One of the most successful of the state commissioners of banking is B. L. Gill of Texas. He has just rounded out another year with a comprehensive report to the governor in which he makes many recommendations for further improvement in the banking laws of the state. In the course of the report he takes up the question of private banks and their relation to the public. On this important and interesting (especially in Illinois) subject Commissioner Gill says:

I wish to speak seriously on the subject of supervision of private banks. I realize that it is a discussion which is usually approached with caution, and which, if misunderstood, or not followed by proper action, may lead to confusion. I am convinced that the time has come for this matter to be frankly handled and intelligently dealt with. The people who deal with banks have a right in this day and time, and under existing conditions, to know that they are being properly conducted and under the control and supervision of some competent delegated authority, and no well managed private bank should object to this. Indeed, I am willing to go further than this, and say that private banks should not be permitted in Texas, and in saying this I do so with the knowledge that we have in this state a number of such banks that have been here for many years, successfully conducted; but the times and the public, and even such banks themselves, are ready to demand this in the interest of good banking and good public policy, for modern banking absolutely depends upon the confidence that mutually exists between the bank and its customer. This idea is not new or original on my part. Agitation for this is a live subject to-day in nearly all of the states where private banks are not already prohibited, and applications are constantly being received by this department for the conversion of private banks into state banks, because of the demand of the public and the benefit to the bank itself. I have uniformly declined to permit a state bank to open in any community where the organizers also controlled a private bank for obvious reasons. Quite recently a party who controlled a small state bank was refused permission to convert three private banks he owned into state banks, because of their condition and his record, and the result was they all failed on the same day with about sixty thousand dollars deposits, and it is not believed the depositors will realize anything, while the depositors of the state bank closed



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by the commissioner at the same time were promptly paid in full.

All of the above is the official language of the up-to-date banking commissioner of one of our most important states. If any of our readers care to take issue with Mr. Gill, our columns are open. Public opinion is with the supervision advocates in every state in the Union.

GUARANTY TRUST COMPANY OF NEW YORK

The recent merger of the Guaranty Trust Company of New York and the Standard Trust Company of New York, with the accompanying increase in the former company's capital from \$5,000,000 to \$10,000,000, makes possible an exhibition of figures which places the Guaranty Trust Company among the leaders of the world's banking institutions. According to their statement as of October 16th, following the merger, the deposits are \$189,000,000. The capital and surplus are increased to \$10,000,000 and \$20,000,000 respectively, while the resources now total \$247,000,000.

The company is erecting a monumental building at 140 Broadway and expects to occupy it early in the coming year. Until that time it is understood that the business of the Standard Trust Company will be continued at 25 Broad Street, and that office known as the Standard Branch of the Guaranty Trust Company of New York.

FRISCO OFFICIALS INTERESTED IN AGRICULTURE

Frisco railway officials are following state agricultural fairs throughout the southern states, endeavoring to enlist a wide interest in available lands in Arkansas, Tennessee, Mississippi and Louisiana. F. S. White, the agricultural commissioner of the road at Memphis, stated that after having traveled over other districts of North America, southern lands, considering their present cost and high productivity, still are among the cheapest lands on the continent.

WANT BETTER RAILROAD SERVICE

The Business Mens Association of Carmi, Ill., of which Stewart L. Crebs, vice-president of the National Bank of Carmi, is secretary, is after the New York Central to improve the character of service given to the people south of Mt. Carmel.

JOSEPH I. COOPER IN EAST

Joseph I. Cooper, recently elected cashier of the Illinois Trust and Savings Bank of this city to succeed the late B. M. Chattell, is on a vacation which he is spending in the East.

BANKING LAW REFORM IN TEXAS

M. L. Riddle, the beautiful and talented lady-editor of the Texas Record, in a paper recently read before Panhandle bankers at their convention held in Plainville, Texas, pointed out the urgent necessity of making some changes in the bank guaranty law of that state. In Texas the insurance and banking department are under one head. For four years an effort has been made to get a much-needed assistant for the insurance department, but as yet this has not been accomplished, and it is doubtful whether the next legislature will give the assistant or not. The commissioner has charge of over seven hundred banks and four hundred and sixty-six insurance companies. Thus, it will be seen that the incumbent of that office should be a man of considerable caliber and ability. As Miss Riddle expresses it, he should not be a "lightweight." The office also should be free from political influences. The position of banking and insurance commissioner in Texas is the poorest paid of any in the United States, the salary being only \$3,000 per year, a compensation which is not at all commensurate with the ability required to be possessed by him nor the responsibilities necessary for him to assume.

Miss Riddle believes that the banking board should have some control over the number of banks in a town, and have discretion as to whether or not a bank should be organized in such and such a place or not. She believes that the minimum capitalization should be fixed at \$25,000. As a result of the stringent laws recently enacted in such states as Kansas and Oklahoma, a host of the unworthy eliminated from those states now is flocking to Texas, which makes necessary some sort of corrective measures. Some of the new \$10,000 banks are in localities being organized by land

companies, who desire to have a bank as an inducement to people to come and settle upon their land. This tends toward the establishment of unstable institutions, with oftentimes incompetent, if not dishonest, men in charge of their affairs.

Frequently people wish to organize a bank in communities which already are oversupplied with banking facilities. The men who are back of the enterprises have little or no financial responsibility, and about the only thing they have upon which to base the right to operate a bank is an unlimited amount of enthusiasm. Enthusiasm, however, would not be considered as an asset by an examiner, and in case of insolvency would not pay off the claims of the creditors. It therefore is important that applications for the organization of banks should be the subject of the strictest kind of investigation and scrutiny in order that people who deliver over their money for safekeeping may have some sort of assurance that they will be able to get it back when they want it, and that there may be eliminated from the profession of banking that class of individuals whose acts have a tendency to bring the business into disrepute.

THRIVING OREGON BANK

At a recent meeting of the board of directors of the First National Bank of Burns, Harney county, Oregon, the surplus fund of that institution was increased from \$70,000 to \$75,000. This, with the bank's capital of \$25,000, gives it a working capital of \$100,000. The First National now carries the largest surplus fund of any national bank in the country of like capitalization. It has enjoyed a steady growth since its organization, and as a result of the courteous treatment accorded its customers and its reputation for conservative management, it has the respect and confidence of the public.

TAMPICO BANKER KILLED

A. C. Glassburn, cashier of the National Bank of Tampico, (Ill.), was instantly killed on Tuesday of this week when an automobile in which he was riding became unmanageable and plunged from a bridge eight miles southeast of Elgin. The accident was due to a defective steering gear. Three other persons who were riding in the car were seriously injured.

ATTENDS WISCONSIN GROUP MEETING

W. G. Edens, assistant secretary of the Central Trust Company of Illinois, left the city on Tuesday of this week to attend the meeting of Group 5, Wisconsin Bankers Association, held at Fort Atkinson. S. M. Smith, cashier of the Merchants and Savings Bank, Janesville, is president of this group.



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C. R. LAWS	Assistant Cashier

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

W. W. WALTON

Captain P. D. O'Brien, who has served the Chicago Police Department for the past thirty-one years, gave us a very interesting talk in regard to criminals and as to their manner of operation. The Captain's many years' service in the department places him in an exceptionally good position intelligently to handle the subject, and he certainly acquainted the chapter boys with some very novel and clever swindles that are being perpetrated daily. Criminals, especially those who use their wits to make their living, are the smartest and best equipped body of men in business. The Captain classified his lecture, as follows:

Forgers are divided into four classes, the "capitalist," who furnishes the paper on which to commit the forgery; the forger, who is known as the "scratcher," and who does the actual forging; the middleman or go-between, and the man who places the paper in circulation. Their work is all done very secretly.

Bank robbers and safe-blowers are considered the most successful and dangerous yeggman. The Captain traced the history of this class of criminals down to John Yegg, a gypsy, who was the most successful yeggman in his time. They are sworn to the strictest secrecy and will not hesitate to kill any of their number who divulges any of their transactions in camp. They generally work in fours.

The Captain considers the pick-pocket one of the greatest nuisances in the criminal profession. They generally work on crowded cars and in gangs of five. He told of an amusing incident of a man who was "wise" to the game of several of this class of criminals, telling them of his being aware of their mission and that nothing was doing, and how, after taking his grip and alighting from the car he was very much surprised to discover that they had very deftly "lifted" over one hundred dollars from his trousers pocket.

He also briefly dealt on what he terms "the real burglar," the most dangerous criminal traveling; the hold-up man, usually composed of the unemployed and the loafer around cheap saloons; wire tappers and fake fights and wrestlers.

Owing to the many different forms in which confidence games are operated, the Captain did not follow up the ways and means of many of them, but cited several very clever tricks.

Those who had the opportunity of attending this lecture should be well enough informed as to these various criminal operations as to be guarded and to minimize their chances for being victimized in any swindle of like nature.

PROMOTIONS IN SOUTHERN BANK

Several important promotions have been made by the directors of the Citizens and Southern Bank, Savannah, Ga. Cashier Gordon L. Grover has been made vice-president; Assistant Cashier George B. Clarke has been advanced to the position of cashier, and W. B. Spann, Jr., and I. S. Ferguson, both clerks, have been made assistant cashiers. Recently Assistant Cashier R. L. Rockwell went to Augusta to take charge of a branch bank of the Citizens and Southern, leaving a vacancy.

PITTSBURGH CHAPTER

The spirit of good-fellowship permeated the Norse room at the Fort Pitt Hotel, Pittsburgh, on Saturday, October 12th, when, after a day filled with entertainment, a banquet was given by the Pittsburgh Chapter, American Institute of Banking, in honor of the visiting guests of the Cleveland Chapter, who came for a two-day stay. After the banquet the visitors and the entertainers went to the Grand Opera House, where the whole first floor had been reserved for them, and later viewed "Pittsburgh at Night" from the roof of the Oliver building. This visit was a reciprocity affair, the Cleveland Chapter having entertained a large number of Pittsburgh bankers at Cleveland in June. About 152 visitors arrived in Sewickley from Cleveland on a special train Saturday noon, and a luncheon was given at the Y. M. C. A. At 1:30 the ladies of the party were taken in autos through Sewickley Heights to the Country Club.

The tennis matches were the first events on the program, Pittsburgh taking five out of nine in the singles. In the doubles the contestants tied. In what both victors and vanquished branded a "ripping good game of baseball," the Pittsburgh Chapter won by a score of 4 to 1. And then, just to show that they were in earnest, the Pittsburgh Chapter politely won the golf matches.

The visitors and the Pittsburgh men boarded the train and came into the city, going at once to the Fort Pitt. B. O. Hill, president of the Pittsburgh Chapter, presided at the banquet and Henry A. Williams, national bank examiner, was toastmaster. Addresses were made by Peter Slach, president of the Cleveland Chapter; Henry Pratt of Cleveland, a member of the executive council of the American Institute of Banking, and Louis J. Kauffman, ex-president of the Cleveland Chapter. Original songs and yells livened the occasion.

Sunday the visitors were taken through the city in automobiles and members of the local chapter acting as guides. In the afternoon they attended the organ recital at Carnegie Music Hall and left Sunday evening for Cleveland. The entertainment was under the direction of Harry E. Hebrank, chairman of the general committee; G. A. Stephenson, chairman of the golf committee; W. G. Gundelfinger, chairman of the tennis committee, and F. G. Ehman, chairman of the baseball committee.

B. O. Hill, of the Second National Bank of Pittsburgh, chairman of Pittsburgh Chapter, American Institute of Banking, has received a challenge from the Cincinnati Chapter for a debate at the latter city on February 12. The invitation will be accepted and arrangements made later.

LOUISIANA BANK TO LIQUIDATE

New Roads, La.—The First National Bank, which has been closed since Sept. 28th, on account of a run on the bank, at a meeting of the board of directors has decided to liquidate. Thomas M. Thornton, national bank examiner, who has been investigating the books of the bank, has been appointed receiver. It is reported that all depositors will be paid in full. The bank is capitalized at \$25,000.

BANK INAUGURATION IN GUANTÁNAMO

BY F. O. PÉREZ

The city of Guantánamo, in eastern Cuba, was the scene of unusual festivity recently, by reason of the inauguration of a new building for the National Bank of Cuba branch in that locality. Guantánamo is in the heart of a rich agricultural region, which, though less than fifty miles from Santiago, has until recently been quite isolated, owing to the lack of railroad and other transportation facilities. Large American investments and the introduction of new industries there have made it an important competitive field for banking in these latter days, and the opening of a new building for the National Bank comes as a natural sequence to the new industrial development.

At the banquet given in honor of the occasion, several prominent speakers made addresses in Spanish, including one of welcome by Señor Serrano Zayas, mayor of the town, and other local authorities, to which William H. Morales, secretary of the National Bank of Cuba, responded in behalf of the institution as follows:

Address of William H. Morales

"The president and board of directors of the National Bank of Cuba send from Havana a cordial greeting to the authorities, friends and patrons of our institution in Guantánamo, congratulating them for the spirit of local progress which has made possible the dedication of a modern building to meet the financial needs of this community.

"The inauguration of a rich and ornate building equipped with banking improvements of latest type means more than the expansion of business by a credit institution. It is a public avowal of the confidence felt by the banking interests of this country and abroad in the stability of economic Cuba, and of a desire by the National Bank to place at the disposition of its patrons the best facilities possible.

"The five hundred miles of distance between this city and Havana have been greatly reduced in point of time within the last decade. It is an old adage that in the trail of the railroads the banks are established, and these, as centers for the circulation of money and credit, become powerful agencies in building up a community. In the case of Guantánamo it is gratifying to note that the rule has been fully confirmed. When the National Bank of Cuba opened a branch here seven years ago, the city was secluded from the other centers of population, whereas to-day it stands in close touch with them all, forming part of the great network of branches through which the resources of the country are circulated.

Experience has shown that in Cuba the system of branch banking is by far the most practical that has been tried. By its means, the funds of a single institution are available for the various localities, in an effective and economic manner.

No Monetary Panics in Cuba

Attention has often-times been drawn to the fact that in Cuba there are no monetary panics such as occasionally occur in larger countries. In 1907, for example, when the great financial centers of the world were shaken by the acute crisis of that year, this country sent abroad



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We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars

\$14,675,000 in cash, as shown by the official statistics. The reason of this remarkable condition may be found in the fact that in Cuba the movement of money and credit is rendered safe and rapid by means of a central banking institution with local ramifications and strong connections abroad, which supplies funds according to varying needs. The business elements here possess, moreover, a feeling of uniform confidence in the financial men and institutions of the country.

It is needless to go at length into statistics in order to show the progress of Cuban banking in recent years. As a result of the increase of its capital from \$1,000,000 to a capital and reserve of over \$6,000,000, the National Bank of Cuba has placed more than \$38,000,000 of aggregate assets in circulation within the Island, as shown by its balance sheet, as a guaranty to depositors against all contingencies. The automatic movement of this volume of assets throughout the twenty-seven commercial centers where the bank has branches is ample demonstration of the beneficial influence of modern banking in Cuba.

Chapter Work in Cuba

There is another aspect of our banking experience which has found popular sympathy and support, and that is the interest shown by the institution in the intellectual progress of its men. In Havana a group of young bank men organized three years ago Cuba Chapter of the American Institute of Banking as a branch of the central organization in the United States. To the president of our institution we are indebted for the handsome suite of offices which are the headquarters of Cuba Chapter. There the study of themes on banking and finance is pursued daily, in connection with the work of

practical banking which is essential to a full understanding of the business in Cuba. The value of this instruction can be appreciated when it is considered that our various branch managers are taken from employees of the bank, who are thus trained in the work of theory combined with practice.

It has long been the custom to send delegates from Cuba to the important banking conventions held in the United States from time to time, and our institution has had the honor of sending three delegates abroad so far this year. The importance of having Cuba represented at these conventions is at once apparent, because it means a knowledge of outside conditions and closer relations between our bankers and those of the United States, which could not be cultivated in any other way.

Predicts Great Future for Guantánamo

We venture to predict a great future for Guantánamo. The Panama Canal, which will soon be open to traffic, is no doubt destined to exercise a strong influence over this part of Cuba, by bringing it into contact with important foreign markets. Considering the great potential wealth of this region and the influx of capital which is constantly taking place, it is beyond peradventure that the city which it has been our honor to visit on this occasion is soon to become a distributing point for the products of eastern Cuba.

OREGON BANKS CONSOLIDATE

Hermiston, Ore.—The First National Bank has purchased the Hermiston Bank and Trust Co. The trust company still retains the building and real estate, selling only the securities and good will of the bank.

TWO NEW BOOKS FROM PAGE

L. C. Page & Co., Boston, has issued two new popular novels for the seasonal demand. "Miss Billy's Decision," by Eleanor H. Porter, with "Billy" in this instance being a very dainty and pretty pink-cheeked girl, with curly hair and an engaging smile. She was but eighteen when she began to disturb the quiet and dignity of a Beacon Street household of the three Henshaw boys. Its romance—lots of it—and the characters hold the attention. It is a most readable book.

"Chronicles of Avonlea," by L. M. Montgomery, author of "Ann of Green Gables" and other stories.

The highest literary authorities have commended Miss Montgomery's tales of "Ann Shirley," the late Mark Twain being her chief admirer. The new story easily is the par, if not better, than any of its predecessors, which is saying a great deal.

"THE PASSIN'-ON PARTY" BY EFFIE GRAHAM

Bound in rough cloth and neatly boxed for gift purposes, is the new tale by Effie Graham entitled "The Passin'-on Party." It is published by the well-known house of A. C. McClurg & Co. of Chicago. Aunt June's reception, or "passin' on party," as she calls it, was a great success. All day long white folks and black passed before the bed where she lay ill. Everyone was there, from the mayor down to Rastus Moore, the rag picker, and his crazy wife. Poor old Aunt June enjoyed it thoroughly, even though she knew it was a "sure 'nough passin' on party" for her. The description of it all will cause many a smile, and perhaps just a suspicion of a tear.

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CENTRAL WEST LETTER

Omaha

By EDGAR P. ALLEN

"Bankers could not ask for better conditions than exist in the Central West at this time," said J. R. Dominick, president of the Traders National of Kansas City, to a representative of THE CHICAGO BANKER a few days ago. "I believe that the crops have actually exceeded our earlier estimates which were conservative on the theory that it is best to be on the safe side. From letters received recently I am satisfied that the farmers and the small country bankers and merchants are enjoying more real and solid prosperity than has been experienced for at least four years past. In addition to the abundant harvests is the co-ordinate circumstance that prices for all farm products are high and the demand is such as to indicate stiff prices throughout the winter. The demand for money to handle crops has fallen off, as was to have been expected, but with the farmers banking their material surpluses, other business concerns are planning expansion and thus money is in constant demand at satisfactory terms. Practically all of the banks are reporting heavy increases in deposits and this situation doubtless will continue. Jobbers and manufacturers report that merchants everywhere in this territory are filling out their stocks, which were allowed to run low during the past few years. I believe also that the outlook for the holiday business this year is very bright. After several years of pretty close figuring on account of short crops, our people are now prepared to make up for lost time and will buy generously."

Increase in Clearings

All of the principal cities of the Central West are making satisfactory increases in their clearings at this time of the year, indicating that crops are moving and that general business is active. For the week ending October 17th, the Kansas City clearings were \$63,342,000, being an increase of 10.1 per cent over the corresponding week a year ago. Kansas City holds to sixth place, following St. Louis, Pittsburgh and San Francisco occasionally have usurped sixth place, but neither has held it for more than a single week at a time. Omaha also enjoyed good clearings with \$20,064,000, an increase of 10.4 per cent, while St. Joseph had \$7,002,000, indicating an increase of 4.4 per cent. Fort Worth has been climbing up in the list, now having \$11,012,000, which is an increase of more than 14 per cent over the corresponding week a year ago.

Death of Prominent Banker

A. Walter Byers, a director of the Southwest National Bank of Commerce, and for many years a prominent financier of Kansas City, died last week at his home. Mr. Byers was born on a farm near Oil City, Pa., in 1847. In his boyhood he removed with his parents

to Nashua, Ia., where he grew to manhood. He was educated in the public schools and at Upper Iowa University. In the early '70s he became interested with his brother George in Texas ranch lands. The two bought heavily in the western part of the state and retained their holdings until the demand for land induced them to subdivide and sell to settlers. While in the ranch business they founded the towns of Petrolia and Byers upon their lands, established banks, built a railroad and were active in many other industries. In 1893 Mr. Byers came to Kansas City, where he built one of the handsomest residences of the city, and he became active in all movements of a financial nature for the development of Kansas City.

Group 3 at St. Joseph

Scientific farming and general denunciation of the proposed amendment to the Missouri constitution establishing the single tax system in the state occupied much of the time of Group 3 of the Missouri Bankers Association which met in St. Joseph last week. One of the most important of the addresses was that of Former Governor W. J. Bailey, of Atchison, Kan., who discussed agricultural topics at length. He declared that the solution of the high cost of living problem lies entirely with the farmer and that, as the farmer depends upon the banker, the banker also is responsible to a great extent, and there should be a closer relationship between them. Following this address came those of Former Governor Francis of St. Louis and W. C. Gordon of Moberly, who discussed the same question. Sam Jordan, a farm expert from Pettis county, spoke along the same general lines, taking the viewpoint of the farmer. Among those at the meeting were: R. F. Newhall, First National, Chicago; Phil C. Kidd, St. Louis; R. M. Cook, Kansas City; M. A. Taylor, National Stock Yards Bank, Ill.; R. W. Stumpe, St. Louis; S. M. Jordan, Sedalia; A. O. Klauser, Kansas City; W. C. Gordon, Moberly; J. P. Jennings, Moberly; H. A. Dillon, Kansas City; N. B. Taylor, St. Louis; A. J. Culbertson, Stewartsville, Mo.; S. D. Call, DeKalb, Mo.; John W. Page, DeKalb; R. D. Head, DeKalb; J. O. Ellis, Kansas City; J. L. Johnston, Kansas City; B. M. Davidson, Dearborn, Mo.; C. C. Jones, Kansas City; E. B. Clark, St. Louis; W. L. Buchle, Kansas City; Charles E. Waite, Kansas City; C. A. Chapman, Kansas City; J. F. Meade, Kansas City; G. P. Reichle, Kansas City. John Broadus of St. Joseph was re-elected chairman of the group and H. Y. Montgomery of Skidmore was elected secretary.

Group 11 to Meet at Springfield

Prominent bankers from all parts of Mis-

souri will attend the meeting of Group 11 of the Missouri Bankers Association at Springfield, October 29th. Special cars from St. Louis and Kansas City will carry representatives from those cities. Among the St. Louis bankers who have notified the secretary of their intention of attending are: J. A. Lewis, cashier, and George A. Baker, assistant cashier, of the National Bank of Commerce; E. B. Clair-Avery, assistant cashier of the Merchants Laclede National; C. W. Klenschmidt, of the State National; Owen J. Sullivan, cashier of the National Stock Yards Bank, and R. W. Hawkins, assistant cashier of the Central National. The Kansas City car will carry W. L. Buechle, vice-president, and J. F. Meade, assistant cashier of the Southwest National Bank of Commerce; Amos Gipson, vice-president of the National Reserve Bank; J. R. Dominick, president of the Traders National; Jerome Thralls, manager of the Kansas City Clearing House Association; George B. Harrison, Jr., vice-president of the New England National, and R. C. Menefee of the Commerce Trust Company.

Dr. W. S. Woods In Kansas City

Dr. W. S. Woods, formerly president of the National Bank of Commerce, and a pioneer banker of Kansas City and the Southwest, was in Kansas City last week looking after some of his more important investments. For five years Dr. Woods has been in retirement, spending most of his time in San Diego, Cal. Although well advanced in years, Dr. Woods continues to take a keen interest in financial developments, and is an important factor in a number of Kansas City banks. The present Southwest National Bank of Commerce and the Commerce Trust Company represent the splendid fruition of Dr. Woods' planning years ago when he organized the old National Bank of Commerce and built it up by consolidations and absorptions until it was the leading financial institution in the Southwest. Dr. Woods sat in the directors' room of the Southwest National Bank and declared renewed faith in that institution and held an impromptu reception. Many of his old friends and business associates upon learning that he was in the bank called upon him. Dr. Woods will return to San Diego for the winter.

Want Special Law for Punishment of Robbers

Stimulated into activity by the alarming series of bank and express robberies that have taken place in the state within recent weeks, the Oklahoma bankers are thoroughly aroused to the need of more drastic legislation. They are uniting to demand that the next session of the legislature pass a special law relating to the punishment of robbers who use fire arms or high explosives, and T. P. Martin, Jr., presi-

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dent of the Stock Yards National of Oklahoma City, and chairman of the legislative committee of the Oklahoma Bankers Association, is now formulating this demand in a specific statement. While the Oklahoma Bankers Association has been doing everything in its power to run down bank robbers and bring them to justice, it has been unable to accomplish much. Oklahoma is to-day infested with several gangs of yeggmen who are spreading terror among the smaller bankers and express agents. Within the past few weeks half a dozen of the boldest robberies in the history of the state have taken place. According to Mr. Martin, Oklahoma is exposed to depredations that have almost ceased in Kansas and Texas on account of the death penalty recently enacted in those states for bank robbery. "The bankers are taxed heavily on their capital stock, their surplus and their profits," said Mr. Martin, "but they are not heavily protected. It is the little banker who needs protection—the little fellow in the small town. He serves the people the best and the longest, because he is closer to the farmer and provides funds for crop necessities; the big bank in the metropolitan center with electric alarms and watchful police is not so much afflicted by the robber. Express companies operating out of Oklahoma City have instructions from their main offices not to receive valuable packages and cash shipments for points more than 100 miles distant from Oklahoma City, if the shipments have to be carried on night trains, unless there are large local offices at the point to which the shipment is consigned. This causes many of the country bankers much trouble and delay, as well as great uncertainty, in getting necessary cash shipments from the big banks."

Central West Notes

Thornton Cooke, vice-president of the Fidelity Trust Company of Kansas City, has received notice from P. S. Babcock of New York, secretary of the trust company section of the American Bankers Association, that he has been elected vice-president of the trust company section to represent the Missouri division in the association.

Finis E. Marshall, formerly national bank examiner, and at one time president of the Phenix National of New York, was in Kansas City last week calling upon many friends in the financial district.

W. W. Timmer, assistant cashier of the Continental National of Salt Lake City, is in Kansas City on a vacation, his family living here.

The safe in the Citizens Bank of Hutchins, Tex., near Dallas, was dynamited one day last week and \$1,000 in currency was taken. The robbers escaped.

The Hennessey State Bank of Hennessey, Okla., has been incorporated with a capital stock of \$25,000.

P. J. Gleisner, cashier of the Abilene National Bank, Abilene, Kan., was in Kansas City last week to undergo a slight operation.

The Texas department of banking has approved the following reserve agents: for the First State Bank and Trust Company of Snyder, the First State Bank and Trust Company of Abilene; for the First State Bank of Donna, the Union National of Houston; for the Citizens Guaranty State Bank of Lindale, the Stockyards National of Fort Worth; for the

La Vernia State Bank of Kress, the Citizens Bank and Trust Company of Austin; for the First State Bank of Ellinger, the Chase National of New York; for the Markham State Bank of Markham, the Central National of St. Louis; for the Evant State Bank of Evant, the Seaboard National of New York; for the Farmers State Bank of Burkburnett, Hanover National of New York; for the First State Bank of Robstown, the State Bank and Trust Co. of San Antonio; for the Brownsville Bank and Trust Company of Brownsville, the State Bank and Trust Company of San Antonio; for the Citizens Bank and Trust Company of Austin, the Commonwealth National of Kansas City.

The following out of town bankers were in Kansas City's financial district last week: Lyman J. Gray, president of the Oklahoma State Bank of Guthrie; J. R. Burrow, vice-president, and E. E. Ames, cashier, of the Central National of Topeka; W. B. Kane, cashier of the First National, Cartersville, Mo.; J. H. Paul, cashier of the Paul Bank of Slayton, Tex.; Arthur Ward, cashier of the Fergus County Bank, Lewiston, Mont.; C. D. Sample, cashier of the Citizens National, Fort Scott, Kan.; L. B. Beck, vice-president and treasurer of the Continental Trust Company of Denver.

WINGFIELD ELECTED BANK PRESIDENT

Carson, Nev.—George Wingfield, president of the Nixon National Bank of Reno, has been elected president of the Carson Valley Bank, to succeed the late Senator Nixon.

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Ohio

Toledo, O.—Bankers of northwestern Ohio, members of the third division, Ohio Bankers Association, numbering several hundred, were in Toledo Wednesday at their regular annual conference. Sessions were held in Hotel Secor, while bank officials from Defiance, Sandusky, Williams, Henry, Fulton, Wood, Seneca, Ottawa and Lucas counties formed the personnel of the assembly. One business session was entertained at a matinee performance at Keith's theatre. The day was concluded by a banquet served at 7:30 p. m. in the banquet hall of Hotel Secor. T. C. Stevens, vice-president of the Second National Bank, was toastmaster, and toasts were responded to by Bishop Schrembs, Frank Mulholland, George W. Stevens, Howard I. Shepherd and Isaac Kinsey.

At the business meeting held Wednesday morning, R. D. Sneath, of the Commercial National Bank, Tiffin, acted as chairman. After official reports, Charles H. Allen spoke of "The Land We Live In." Thomas H. Tracey read a paper on "How Will the Recent Constitutional Amendments Affect Ohio Banks?" The third and last paper was presented by Stacy B. Rankin, of South Charleston, and pertained to "The Group System: Has It Been Beneficial to the Association?"

H. B. Peters, of Lancaster, was elected president of Group 5 on the occasion of the annual meeting held October 15 at Lancaster. W. W. Gard, of Newark, was chosen secretary-treasurer. The executive board comprises the following: R. W. Boyd, London; C. B. Slick, Granville; L. F. Kiesewetter, Columbus; E. T. Pollock, Delaware; F. S. Sperry, Utica. One of the addresses of the day was delivered by Dr. W. O. Thompson, the able president of Ohio State University.

Secretary Rankin, of the Ohio Bankers Association, announces that the meeting of Group 4, Ohio Bankers Association, will be held at Washington, C. H., Ohio, on October 29th instead of the date and place previously announced.

Group 1 of the Ohio Bankers Association, which embraces the Cincinnati section, has accepted an invitation of the Hamilton Clearing House Association to hold its annual convention there. The date was fixed for Tuesday, November 12th.

The Milford National Bank announces that W. E. Knapp, who has been cashier of the first National Bank at Morrow, has been selected cashier, succeeding F. L. Cook, who is now the vice-president of the Second National.

PRIVATE BANK BECOMES STATE BANK

Salem, Ore.—The Steiwer & Carpenter Bank of Fossil, which has been conducted in the past as a private bank, has filed articles of incorporation under the state banking laws. It has a capital stock of \$25,000.

The Bankers Trust Company of Waco, Tex., has been organized with \$250,000 capital. State banks recently incorporated in Texas are: The Peoples Guaranty Bank of Kilgore, capital \$15,000; the State Bank of Lake Creek, Delta county, capital \$15,000 and the Evant State Bank of Evant, capital \$10,000.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The "I told you so" talkers are busy over developments in the St. Paul financial institutions gradual merger. The board of directors of the Northwestern Trust Company have accepted the offer of \$250 a share for the company made by the First National of St. Paul. The deal involves more than \$500,000, according to reports. The directors took only four minutes to settle the matter. Stockholders have been asked to send in stock certificates for transfer. Of the entire amount 83 per cent is reported by St. Paul people, all of which is pledged. The other 17 per cent is not expected to block the deal. It is surmised that the company will stay where it is, and it is expected that the First will put up an addition on the lot adjoining its building, bought to keep away bad looking buildings, it was said last week. The present building on the lot is a blacksmith shop. F. A. Fogg resigned from the vice presidency of the trust company and the directorate. He had been director with the company since it started in May, 1903. He is reported to have opposed the sale. Other resignations may follow in the company and some are rumored from the Second National, which James J. Hill has bought. The trust company has \$200,000 capital and \$40,000 undivided profits. Officers are: President, E. H. Bailey; vice-president, Haydn S. Cole; secretary, Ira C. Oehler; treasurer, John Townsend.

Heads Second National

W. B. Dean has been elected president of the Second National, St. Paul, to succeed the late George C. Power. Louis W. Hill, chairman of the board of the Great Northern road, was elected vice-president to succeed Mr. Dean. C. H. Buckley and Edwin Mott remain cashier and assistant cashier. The directorate was reduced from nine to five and is as follows: James J. Hill, Louis W. Hill, William B. Dean, J. J. Toomey, C. H. Buckley. Mr. Dean has been a stockholder in the bank since 1864 and a director since 1873. Three years

ago he was made vice-president and he has had charge of the bank since the death of the president. Mr. Dean retired from business five years ago. He was a founder of the hardware firm of Nicols, Dean & Gregg, which began in 1860 as Nicols & Dean. The former directors resigned and Mr. Dean and Mr. Buckley are the only hold-overs. Other directors were Joseph McKibbin, Frank Schlick, Charles Schuneman, F. G. Ingersoll, G. A. Archer, A. M. P. Cowley.

Four to 6 Per Cent Money for Farmer

From reliable sources it is learned that if Mr. Hill effects a great financial institution in St. Paul it will act as a great aid to the farmers of Minnesota, the Dakotas and Montana, where rates for money range from 8 to 10 per cent. It is said Mr. Hill believes in 4 to 6 per cent money for the farmer. St. Paul bankers are inclined to the idea that 75 per cent of the First National stock has been pledged to Mr. Hill if terms and price are right. This is said to be \$350. It is understood that if a deal is effected, E. H. Bailey, president of the First, will manage the Hill banks.

Henry L. Stimson in St. Paul

John R. Mitchell, president of the Capital National Bank of St. Paul, has been entertaining Henry L. Stimson, secretary of war. When Mr. Stimson arrived in St. Paul on his way to Heron Lake, Minn., for a hunt, he slipped out to the home of Mr. Mitchell, 370 Summit Avenue. After breakfast at the house he returned to the bank, where he conferred with political leaders of his party.

In the Limelight

F. A. Gross, president of the German-American Bank, and G. F. Orde, vice-president of the First National, are in the Minneapolis public eye. As member of the Civic & Commerce Association Mr. Orde, through the committee of which he is chairman, is going to peer into the holes and find out what workmen are

prospecting for when they suddenly swoop down on a fine roadway and begin to dig it up with picks and shovels. Mr. Orde is going to find if they are after a pirate's hoard, or whether they are geologists or archæologists looking for subterranean traces of Atlantis. It has always been a mystery to Mr. Orde why, as soon as a fine new pavement is laid, workmen begin to attack it savagely. His committee proposes to change the old order and have necessary holes in pavements made by the city and repairs charged to the property. It is the plan to assure the people that when they see men looking like '49ers start a hole in front of their property, that the city is doing it officially and that the pavement will be restored.

Mr. Gross led the little German band in a North Side jollification Monday night, when the people of the district opened a new row of ornamental electric street lamps. The bank is one of the landmark institutions of that part of the city and as head of it Mr. Gross refused to let an important position like bandmaster for the parade get away from him. Mr. Gross made a hit in a line of work which is likely to slate him for appearance at future bank conventions.

Elected President Farmers & Mechanics Savings

T. B. Janney, president of Janney, Semple, Hill & Co., wholesale hardware, has been elected president of the Farmers & Mechanics Savings Bank, Minneapolis, succeeding the late John DeLaittre. O. C. Wyman, first vice-president, was elected, but declined for business reasons. W. H. Northup, North Star Woolen Mills, was made second vice-president. A successor to the trusteeship made vacant by the death of Mr. DeLaittre, was not filled.

Haydn S. Cole Will Retire

Haydn S. Cole, vice-president of the Northwestern Trust Company, St. Paul, and active head, has confided to business associates that he will retire from business on transfer of the

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company to the First National, St. Paul. He is a director in the bank.

Security National Stock Reaches Highest Point

Security National stock reached the highest point in Northwestern history Wednesday when it was offered at 505. Standing bids of \$475 have had no offers. First National was \$300.50 a share bid and \$305 a share asked; Northwestern National, \$298 bid and \$301 asked; Scandinavian American, \$141 bid; Metropolitan National, \$138 asked; Hennepin County, \$265 bid, and St. Anthony Falls, \$150; German American, \$200; Commercial National, \$125; East Side, \$130; Union State, \$115; South Side, \$200; Minneapolis State, \$130, and Minneapolis Trust Company, \$150 bid.

Scandinavian American National to Have Balcony

The Scandinavian American National Bank, Minneapolis, has decided to build a balcony around the back end of the lobby. The room is needed for the bookkeeping and statement departments. A telautograph will keep the departments in touch with the tellers. The bank is going to have a ventilation system too. The Scandinavian bank building was erected several years ago for the Nicollet National and was later taken over by the Swedish American National. Both banks are out of existence. The building is the first exclusive bank building erected in Minneapolis and is regarded as admirably adapted for the purpose.

Grain Yield Double That of Last Year

Having threshed and stowed 22,000 bushels of grain, Nels Larson, Dazey, N. D., came to Minneapolis to spend some money, his first vacation in years. He told Cashier J. S. Pomeroy of the Security National that he believes himself entitled to a rest. His grain yield was double that of last year, with practically the same acreage sown. Mr. Larson said that not more than 40 per cent of threshing is done in the northern part of the state.

Iowa Banks May Consolidate

Initial steps have been taken to consolidate the Home Savings and the Citizens Savings Banks of Iowa Falls, Iowa. Several investors are interested in both institutions and the merger was forecast several months ago.

State Bank Resources High

State bank resources are named in a report by the Minnesota superintendent as \$148,380,960.02, or \$3,918,939.94 more than in June. Deposits subject to check have increased \$1,864,932.86 since June to \$38,443,948.26 and time certificates of deposit, which totaled \$75,996,113.25 in June, now show \$76,478,460.15, an increase of \$482,346.90.

Savings deposits have gained materially and are \$695,257.51 in excess of the total in June, the present figures of \$7,002,823.54, comparing with \$6,307,566.03.

Loans and discounts at \$114,938,277.49, compared with \$110,900,638.21 in June, indicate that the state as a whole is doing a general business much greater in volume.

Bank for Roosevelt

The First State Bank of Roosevelt is the non-partisan bank chartered by Kelsey S. Chase, superintendent of banks for Minnesota. The bank is the only one at Roosevelt. It has \$10,000 capital and \$2,000 surplus. Charles R. Farel is president and the cashier has the self-confident name of A. E. Abel. Mr. Chase says he does not expect depositors to lose money in the closing of the Myers State Bank at Wegdahl, Chippewa county. The bank was closed for insufficient business to support it, and because some poor loans had been made.

Will Build Home for Dependent Children

Patterned after a home for dependent children in western New York, Cattaraugus county, his boyhood residence, a building for dependent children has been ordered by A. L. Ward, millionaire banker, president of the Martin County Bank, Fairmont, Minn. Architects have been instructed to fit the plans to twenty acres near the Ward home, east of Fairmont. The building is to cost \$50,000 and Mr. Ward will throw in a \$100,000 endowment.

New State Banks in North Dakota

Four new state banks in North Dakota and their incorporators are: Millerton State, Stutsman county, S. F. Corwin, H. T. Graves and A. B. Denault; Northwestern State of Oakdale, Dunn county, M. S. Cuskelly, A. B. Currey, Robert L. Wilcox; Farmers State, Schaffer, Adam Hannah of Minneapolis, Rudolph Hoel of Ray and Monrad J. Olson, Charlson; First State of Buffalo Springs, J. E. Phelan, C. J. Phelan and Dugald Stewart. The capital of each bank is \$40,000.

James M. Hurst, assistant cashier of the National Bank of the Republic, Chicago, has been out of the city this week on business.



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OKLAHOMA INHERITANCE TAX LAW CONSTRUED

Oklahoma City, Okla., Oct. 24.—R. J. Edwards, an investment banker and dealer in public securities calls attention to a decision of the Oklahoma supreme court, handed down last May, interpreting and construing the inheritance tax law of that state. Mr. Edwards brings attention to the matter because of the attitude of many investors toward Oklahoma bonds through a misunderstanding of the law pertaining to the inheritance tax. The section of the statute which was the subject of construction and which has caused the unfavorable sentiment on the part of investors toward Oklahoma investments reads particularly in part as follows: "Upon all property in excess of \$5,000 in class 1, the primary rate provided for herein shall be increased one one-hundred-twenty-fifth of 1 per centum for every one hundred dollars (\$100) increase in the valuation of such excess."

Mr. Edwards says it has been urged by the critics that this tax was progressive and increased under the rule of arithmetical progression so that it might be possible, if an estate amounted to as much as a million dollars or more, for the beneficiaries to lose the entire amount and that, in fact, it would be possible for the beneficiary to become indebted to the state; in other words, that the tax rate under this rule would amount to more than the estate itself.

"The rule of application as adopted by the court is that this is not a progressive rate," says Mr. Edwards. "It simply amounts to a tax of one one-hundred-twenty-fifth of 1 per cent upon all excess property; that is, there is primarily levied a 1 per cent tax upon property up to a certain amount (the amount varying owing to the degree of relationship of the beneficiary to the testator) and that in addition to this 1 per cent there is levied upon the additional amount the additional tax of one one-hundred-twenty-fifth of 1 per cent."

Mr. Edwards says that under this interpretation he believes that the Oklahoma laws compare very favorably with the laws of other states; in fact, he considers the ruling an improvement on many of them in the point of burden which it imposes.

FIVE OF A KIND CONVICTED

Memphis, Tenn., Oct. 23rd.—Five bankers who have been on trial here charged with conspiracy to defraud were found guilty to-day by a federal jury. Those convicted are: E. L. Hendrey, former president of the Memphis All Night and Day bank; H. C. Wynne, former president of the Little Rock (Ark.) All Night and Day banks met clearing house and ex-dent of the All Night and Day bank of Oklahoma City; C. A. Bonds, former president of the Kansas City All Night and Day bank, and J. H. Brooke, former director of the Memphis bank and head of a local lumber company. The charge was that all of these All Night and Day banks with clearing house and examiners requirements by an illegal exchange and substitution of collateral.

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EDMONTON NEWS

Edmonton, Alta., Oct. 21st.—Improvements and betterments planned by the municipality of Edmonton for 1913 and for which estimates will be brought down in November involve expenditures of between \$20,000,000 and \$25,000,000. This includes 10 miles of street car extensions, paving, water, telephone, electric light and sewer work and the probable installation of natural gas, to be piped from one of the fields within 50 miles of the city. City Engineer Laternel, who is working on the estimates, reports that the plan is sufficiently broad to meet the civic exigencies for 10 years. Experts are at work on civic center plans, also for a system of parks and boulevards, upon which work will begin early next year. The municipality will also complete its city hall, costing \$250,000, before June 1, 1913. Other buildings, involving several hundred thousand dollars are to be in readiness the coming winter and early next spring.

No Better Field for Investments

"There is no better field for investments than western Canada," said H. C. Uhlen, head of H. C. Uhlen and Company of Chicago, dealers in municipal bonds, who was in Edmonton this week, arranging for the purchase of local securities. He is planning to take up the issue of debentures for sewer extensions, amounting to \$1,000,000. In addition the city has about \$1,250,000 worth of debentures that were not taken up by the London market this year.

"The fact that the English market is not absorbing Canadian municipal offerings at present gives us the opportunity," Mr. Uhlen added, "and I am now looking over the field in company with my brother, R. L. Uhlen, and our engineer, Parker D. Shepperd. We purchased recently \$150,000 worth of 5 per cent securities at par from Bassano, Alta., and we may buy issues amounting to several millions of dollars from the larger cities in western Canada."

Mr. Uhlen expressed himself greatly impressed with the undeveloped agricultural resources of central Alberta, saying: "A better farming country than this would be impossible to conceive of, much less point to, and the substantial character of the development of the cities, especially Edmonton, has surpassed my expectations. The Canadian field is a new one with our house, but London's backwardness is our opportunity."

70,000,000-bushel Grain Crop Cut

Hon. Duncan Marshall, minister of agriculture, announced in Edmonton on October 18th that Alberta's 70,000,000-bushel grain crop is all cut. More than 25 per cent is threshed, with present weather conditions the granaries are filling and the railroads are busy hauling the grain to market. The crop is the best in the history of the province. How the farmers are going to feed all the rough grains, hay and straw this year is a question which the department of agriculture now has under consideration. The farmers are already trying to buy all the available stock from the ranchers for winter feeding, but even at that the feed will be a glut on the market. Many of the farmers are bringing in sheep and cattle from the States and there is no doubt that much live stock will be fed this winter.

Railroad from Coast to Coast

Sir Donold Mann, vice-president of the

Canadian Northern Railway Company, said in Edmonton on October 8th that the system will be in operation from coast to coast about the middle of 1914. All the contracts have been awarded, he added, and the work is being carried ahead as rapidly as possible and will continue throughout the winter. The head of steel will be pushed forward and it is expected to have rails laid to the Yellowhead Pass before next spring. The company now has several thousand men at work on the various divisions.

Company Organized to Develop Land

E. J. Taylor and P. J. Mullin of Edmonton and F. G. Goodchild of London have organized a company, capitalized for \$250,000, to develop 320 acres of land, estimated to contain 10,000,000 cubic yards of gravel, 30 miles from Edmonton. A powerful steam shovel, driven by electricity, will be used in mining and loading the gravel, for which there is an unusually big demand in Edmonton and other cities in Alberta. The company will begin operations in November, the daily output being 3,000 yards, valued at between \$2.75 and \$3.25 each. The highest price reached here last summer was \$4.75 a cubic yard.

Forest Reserve

Advices have been received in Edmonton from Ottawa that the forestry department has decided to set aside 4,788 square miles of timber land on the shores of Lesser Slave lake as a reserve, also that a large reserve may be created on the north shore of Lac la Biche in northern Alberta. Cruisers report there is 375,000,000 feet of commercial timber available in the first named area. Five mills are operating in the district, supplying lumber to homesteaders.

Los Angeles

C. O. Anderson and Geo. Stainback have been promoted to the position of assistant cashiers of the Citizens Trust and Savings Bank, their appointment being made necessary by the new policy of the bank in keeping open from 8 A. M. to 10 P. M.

Nelson E. Barker, vice president of the Bank of Commerce and Trust Co., San Diego, passed away October 8th. Mr. Barker was 55 years old and a native of Connecticut. He had occupied prominent positions in the banking world, having been president of the Chattanooga Savings Bank and president of the First National Bank of Birmingham, which he reorganized after the panic of 1893 and built up into one of the best in the South. From there he was called to take the vice-presidency of the Continental National Bank of Chicago, now the Continental and Commercial National Bank. In 1906 he came here on account of the illness of one of his sons, and shortly thereafter interested himself in the Bank of Commerce and Trust Co., taking the vice-presidency thereof, which position he held till the time of his death.

Pasadena.—Clearing House figures for the twelve months ending September 30th totaled \$43,861,623 as against \$41,166,915 for the corresponding period last year, showing an increase of about \$2,600,000. For the nine months of the present year the clearing house figures amounted to \$33,535,834. Last year's figures for the same period amounted to \$31,-

281,911, showing an increase amounting to approximately \$2,254,000.

A certificate has been granted to the Citizens Savings Bank of Pasadena to do a savings and commercial business, with an authorized subscribed and paid-in capital of \$100,000. The San Ramon Valley Bank of Walnut Creek, a recently organized institution, was granted permission to establish a branch at Concord, Contra Costa County, for savings and commercial business.

Because of the doubling of its business the directors of the Farmers and Merchants Bank, Long Beach, a savings and commercial institution, have voted to increase the capital stock to \$200,000. In the past year deposits have increased 100 per cent, and are now past the million mark. The present resources of the bank are \$1,147,485.

At a meeting of the directors of the First National Bank, Alhambra, John B. Knox was elected president and Marco H. Hellman of Los Angeles vice-president. Mr. Hellman is president of the National Bank of Alhambra and Knox is vice-president of that institution. There is absolutely no intention of consolidating the two banks, according to Mr. Knox. The First National Bank has a surplus equal to its capital stock. It was established in 1887.

PROMINENT PENNSYLVANIA BANKER DEAD

Pittsburgh, Pa.—Col. Hugh Young, prominent as a capitalist and identified for many years with financial institutions of this city, died Sunday morning in Wellsboro, Tioga county, Pa., his home town, and where he removed about two years ago after an active association with the affairs of Pittsburgh. He had been in failing health ever since leaving Pittsburgh. Col. Young was in his eightieth year and at the time of his death was still chairman of the board of directors of the Federal National Bank. He was a director also in the American Waterway and Guarantee Company of this city. His prominence in financial affairs was further increased by his service as national bank examiner for a quarter of a century, holding this post through six administrations.

Colonel Young's life was a varied one. He played successively the rôles of student, teacher, bookkeeper, war correspondent, editor, soldier, legislator and banker. He wrote much and contributed from time to time papers on economic and banking subjects. He was a member of the American Academy of Political and Social Science.

He became a leader in politics after seeing actual service in the Civil War. In 1876 he accepted the nomination and was elected a member of the Pennsylvania legislature. The following year he was appointed national bank examiner and served as such until March, 1888, when he retired and established the Wellsboro National Bank, of which he became president. In 1891 he was made national bank examiner for the city of Pittsburgh and served until December, 1903, when he was elected president of the Federal Bank. Colonel Young was president also of the Tioga County Savings and Trust Company of Wellsboro.

Saline, Mo.—The Citizens' Bank has been organized with \$10,000 capital. A. J. Peace is president; H. T. Martin, cashier.

Pacific Northwest Banking News

Spokane, Oct. 21st.—A reduction of approximately 33 per cent on freight rates on apples to eastern points is asked in a petition submitted by the Spokane Jobbers Exchange to Spokane railroad representatives. The action was inspired by the feeling that this year's bumper apple crop can not be marketed entirely at present freight rates. The petitioners figure that the reduced rate will increase the transportation tonnage 100 per cent over that of last year. It is estimated by the petitioners that prices in the east will be 25 per cent lower than last year, and the jobbers believe transportation charges should be reduced to enable the growers to compete successfully. The present rates are given by the exchange as follows on a basis of 100 pounds: Winnipeg, 75 cents; St. Paul, 85 cents; Duluth, 85 cents; Kansas City, 65 cents; Galveston, \$1; Houston, \$1; St. Louis, \$1; Chicago, \$1; New York, \$1, and Montreal, \$1. The rates suggested by the jobbers' exchange are as follows: Winnipeg, 50 cents; St. Paul, 50 cents; Duluth, 50 cents; Kansas City, 50 cents; St. Louis, 60 cents; Chicago, 60 cents; Galveston, 75 cents; Houston, 75 cents; New Orleans, 75 cents; New York, 75 cents, and Montreal, 75 cents.

New Buildings in Spokane

Spokane is on the eve of a reawakening in building operations, according to belief of contractors, substantiated by hopeful indications in all lines. The \$2,000,000 Davenport hotel is the biggest single indication that brings promise of better things. Of 75 leading cities of the United States, Spokane has 46th place for building permits issued in September. No large buildings were included.

Construction has started on a beautiful \$25,000 home for W. H. Plummer in the Rockwood district. F. M. March, president of the National Bank of Commerce, has had plans drawn for a \$40,000 home of old Colonial design, five miles southeast of the city. Permits issued thus far in October promise to show a large gain.

There is a great deal of railroad work going on in Spokane and vicinity. The Chicago, Milwaukee & Puget Sound has a large force of men busy on its tunnel through the city, and the O. W. R. & N. is rushing track laying on its new line to Spokane. The \$3,000,000 grade separation project of the Northern Pacific, including building new shops, will be started this fall.

Fall Seeding

Fall seeding is in full blast in the Palouse country, recent rains having put the ground in excellent condition. It is estimated 60 per

cent of the seeding is completed. The acreage of fall wheat will be unusually large. Warehouses in the Palouse district are taxed to capacity to handle the big crop harvested. Only about 30 per cent of the wheat crop is in the hands of the farmers, the tendency having been to sell by contract before harvesting. Root and truck crops in Lincoln county are unusually large, the largest potato crop in history being harvested. Yields of 150 to 200 sacks an acre are not uncommon. In many parts of the Big Bend country the Campbell system of dry farming has increased the yield largely. Robert Gunning, in particular, employed the method successfully, getting between 30 and 45 bushels of wheat to the acre.

Land Thrown Open for Settlement

A total of 40,539 acres of land in Stevens county, Wash., were thrown open by the government for settlement October 17th, 22d and 23d. On October 17th, 22,688.67 acres were thrown open, and on the latter dates, 17,850.33 acres.

Increases Capital Stock to \$1,000,000

For the purpose of financing on an adequate basis its rapidly developing business and further extending its trade territory, the Spokane Dry Goods Company has increased its capital stock from \$500,000 to \$1,000,000. The

company is one of the pioneer concerns of Spokane, and has enjoyed a steady growth. It now owns the Crescent Store and the Palace Store, in addition to a large wholesale and manufacturing plant. The company is engaged in the manufacture of overalls and mackinaws. "The increase in capitalization has been made necessary to provide for increasing activity in all our lines of endeavor," said J. M. Comstock, vice-president of the concern. "We consider the splendid growth of our business an indication of the prosperity of Spokane and the surrounding country."

Death of Arthur H. Buchanan

Arthur H. Buchanan, manager of the Bank of Montreal and pioneer banker of the Pacific Northwest, died October 16th at the residence, Coeur d'Alene Street, as the result of a prolonged illness which had left him helpless since last spring. He had been unable to leave his residence for months and has been in a critical condition for several weeks. Death was due to an improper action of the spleen. Mr. Buchanan was trained in the Bank of Montreal at Quebec. He engaged in banking in Kootenai county, Idaho, and at Nelson, B. C., before coming to Spokane.

Banking Notes

By cutting the 1913 budget \$164,000 the Spokane county commissioners fixed the county tax levy at 13 mills, and on a valuation of \$122,000,000 they expect the levy will produce \$884,070. This brings the entire tax levy for 1913 for all municipal, state and county purposes to 30½ mills, the same as for 1912.

Spokane's bank clearings for the week ended October 10th were \$5,450,544, an increase of 35 per cent over the clearings for the corresponding week of 1911. For the first nine months of 1912 clearings were \$161,926,654, as against \$161,188,276 for the first nine months of 1911.

Faith in Spokane as a permanent distributing trade center for farm implements and in the Spokane territory as a market for its products, has induced the Emerson-Bramtingham Co., Rockford, Ill., known locally as the Spokane Implement Co., to extend its operations in a comprehensive manner. Spokane has been its Pacific Northwest center for some time, and now branch houses will be started at Walla Walla, Wash., and Portland, Ore., to care for the trade of this territory. Facilities for handling the added lines at Spokane will be increased materially.

R. Lewis Rutter, vice-president and general manager of the Spokane & Eastern Trust (Continued on page 28)



Direct or Circuitous?

EVERY day the Old National Bank receives items upon points in its territory which, owing to lack of care in sending, have followed a circuitous route before finally reaching us. This bank is in the heart of a populous and immensely productive territory; six transcontinental railroads enter Spokane, which, without a rival, is the Metropolis of the "Inland Empire." Our direct communication with Pacific Northwest banks enables us to make returns on items with especial promptness. Send us your Pacific Northwest collections.

The Old National Bank OF SPOKANE

Capital One Million Dollars

Resources Ten Million Dollars

OFFICERS

T. J. HUMBIRD, Vice-President

D. W. TWOHY, President

W. D. VINCENT, Cashier

W. J. KOMMERS, Assistant Cashier

J. A. YEOMANS, Assistant Cashier

W. J. SMITHSON, Assistant Cashier

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
I. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa - Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Thorp, Wis.—The Farmers Exchange Bank has incorporated with \$15,000 capital. Herman Freiss, George Burke and F. O. Mosher are interested.

Elliott, S. C.—The Bank of Elliott has been organized with \$10,000 capital. G. A. Lemon is president and W. E. Du Rant vice-president and cashier.

Des Moines, October 23d.—Secretary P. W. Hall of the Iowa Bankers Association has begun an active campaign for members for the association. This does not mean that the membership is declining, for that is not the case. On the other hand, the membership is gaining, but Secretary Hall believes that there are many bankers in Iowa who should be enrolled whose names are not written on the books. This is especially true in view of the remarkable number of new banks that are incorporating in Iowa from day to day. In this connection, Mr. Hall is calling attention to the importance of Iowa bankers keeping up their memberships. For instance, the bank at Gilletts Grove permitted the dues to fall behind for a period of over three months. Under the constitution this was sufficient to lose its membership. Accordingly, when the institution was robbed of over \$1,400 a few nights ago, the officials suddenly discovered that they were not entitled to any aid from Secretary Hall or the Burns agency which has been employed for protective purposes. For a paltry five dollars a year, the bank had lost protection worth many times that much. The group chairmen are assisting in the present campaign which has been inaugurated.

Notorious Forger Arrested at Denver

Emery Salyards, alias E. Southern, believed to be one of the cleverest bank forgers and swindlers in the business, was arrested at Denver last week and turned over to Des Moines officers on the charge that he defrauded the Mechanics Savings of Des Moines out of \$45. It was subsequently learned that Salyards is wanted at Tacoma for passing \$5,000 in forgeries through the National Bank of Commerce at that city. He is due for a life sentence in that state if found guilty, and consequently he has been turned over to Washington, or at least that is the intention at this writing. Salyards attracted attention at Denver in the postoffice when he called for mail at two windows under two names. Postoffice clerks became suspicious and notified the officers.

Necessity for State Regulation

Unless newspaper reports are in error, the case of Cashier Haynes of the Bank of Rudd offers a study in the necessity for some sort of state regulation of private institutions. Haynes was cashier of the Bank of Rudd and was put on trial for misappropriating \$13,000 of the funds of the institution. After hearing the evidence, Judge J. J. Clark took the case from the jury, and directed a verdict for the defendant, on the grounds that under the Iowa statute there is no provision for punishment. The Bank of Rudd was a co-partnership, and it developed that it is no crime to abstract money from a co-partnership. If the bank had been regularly incorporated under the state laws, the cashier would have had no defense, so Judge Clark held.

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

Isaac H. Sears

Isaac H. Sears, who was probably the oldest banker in the state when he resigned last year as president of the Scott County Savings at Davenport, celebrated his 91st birthday last week. He was the recipient of many congratulations from his many friends, while the bank sent him a magnificent bouquet of American Beauty roses. Mr. Sears is in good health considering his age. He came to Iowa in 1855, was made president of the bank in 1883, and held the office until his ninetieth anniversary, last year, when he retired.

Want A. I. B. Chapter

The annual agitation for the formation in Des Moines of a chapter of the American Institute of Banking has been started in this city among some of the employees of the various institutions. The chapter that formerly was maintained here was regarded as unsuccessful, for the members lost interest and the chapter finally died. The efforts to revive it have been taken up year after year without success, but it is hoped that this season it will be possible to arouse sufficient enthusiasm in the organization to make it a success. The bank officials are urging the cause along in the hopes that the chapter will be formed before the Christmas holidays.

\$3,000 Per Capita

The Northwestern Banker comments in its October number upon the surprise manifested by Robert E. Gamble, of the Drovers Deposit of Chicago, when he visited Donahue, Scott county. He found that the Donahue Savings had \$287,654.28 in deposits on June 29th—and the town has a population of about one hundred persons. This is an average of about \$3,000 to the resident, but then, of course, Donahue is in one of the many rich farming communities of Iowa, and the farmers in the vicinity of the town are responsible for much of the money in the bank. Just the same, this is a high average and it certainly demonstrates that Iowa is a good banking state and a prosperous one as well.

Bank Building Nearly Finished

The new Central State Bank building, and the new Mechanics Savings building across

the street, in Des Moines, are nearing completion. It will not be long until the structures are occupied. It is thought that November first may see one or both of the banks moved into the new quarters and the officials and employees surrounded by all the luxuries of the very latest in the banking world.

Iowa Banking Notes

According to a statement issued by the Des Moines Clearing House Association recently, the banks of the city have on deposit over \$30,000,000. The amount of cash on hand is rated at \$8,755,344.

Depositors in the Bank of Ferguson recently held a meeting and named a committee to look after their interests. It appears that accusations were made against George W. Curtis, Jr., owner of the institution, and the depositors thought it best to protect themselves.

Redfield, Iowa, has voted \$18,000 for a water works plant.

The Iowa State at New London recently pulled off a most novel and successful corn and colt show. One hundred dollars in gold were handed out in premiums for exhibitors of corn and colts and, in addition, for the women who excelled in the pantry stores department.

The Coggon State, of Coggon, has filed articles with the secretary of state. The capital stock is \$50,000. S. N. Goodhue of Cedar Rapids will be president, and associated with him are J. H. Ehlers, A. J. Ware, L. G. Hall, F. W. Lindahl, D. D. Johnson, who will be cashier, and R. D. Came.

George Roberts, director of the mint, and erstwhile Chicago banker, has been visiting old friends in Iowa while on a tour of the West on mint business.

A new bank with a capital stock of \$15,000 is to be started at Elliott. H. E. Manker is president, George A. Alliband is vice-president, and John Smith of Cumberland is cashier.

C. D. Ellis, the well-known Charles City banker, has resigned as presidential elector from the fourth Iowa district on the republican ticket. Mr. Ellis found that he was not eligible to serve because of his connection with the institution.

F. W. Converse has sold his interest in the Iowa Savings at Estherville, of which he was president, and expects to remove to Los Angeles. Mack J. Groves is the purchaser of the Converse stock.

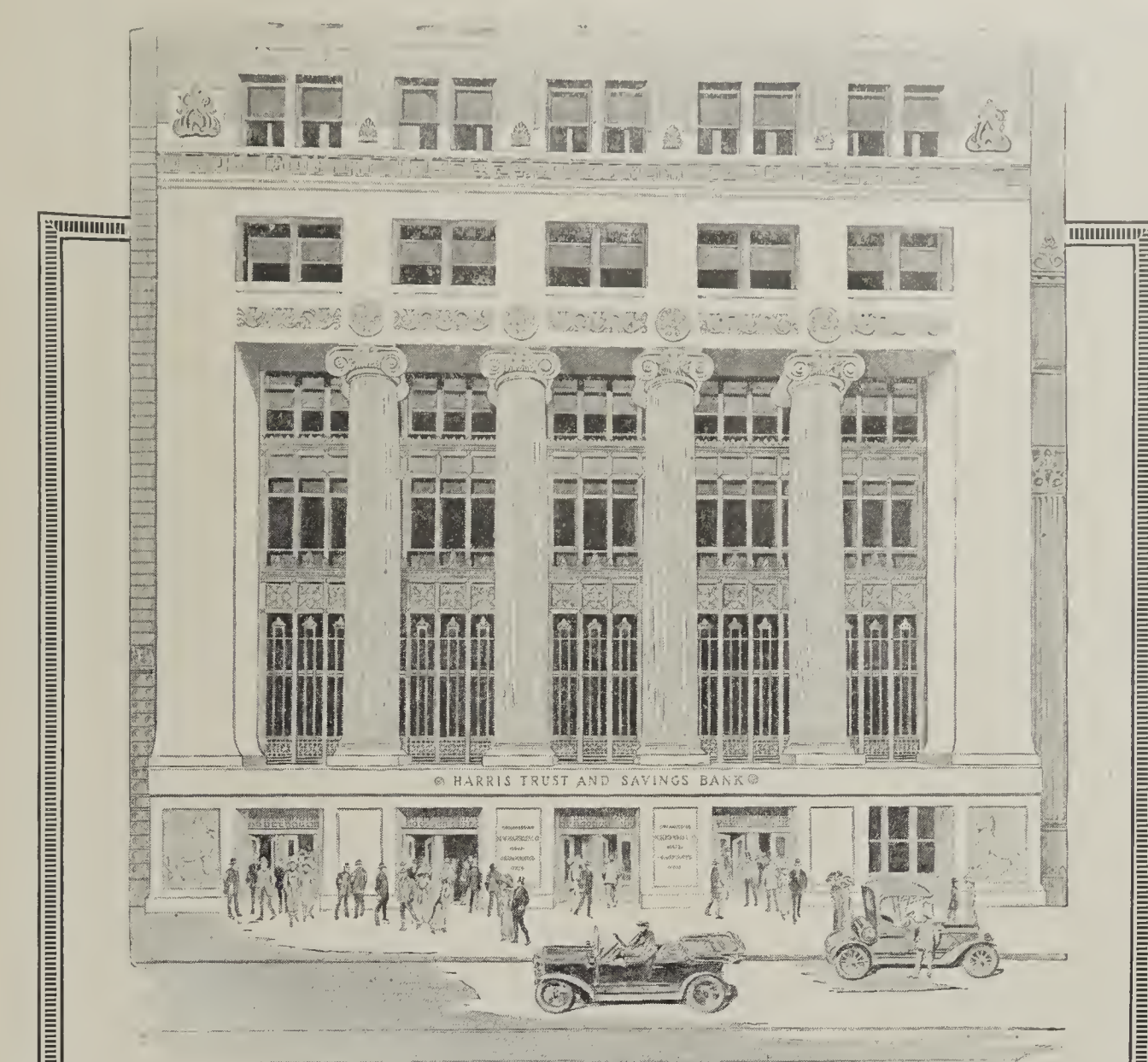
Clinton, Ia., is likely to have a new banking institution. At a recent meeting of those interested, Herbert Mowry was chosen president, P. H. Schneider, vice-president, and A. C. Bielenberg, cashier.

J. T. Sudmeirer has been elected president of the Farmers State at Dyersville to succeed the late C. A. Smith. Mr. Sudmeirer was formerly vice-president and Barney Vaske was named vice-president to succeed him.

A. J. Whinery, well known throughout Iowa as a bank examiner, and formerly cashier of the Castana Savings at Castana, has bought a bank at Bentley, Iowa.

The Macy Brothers Exchange at Lynnvile, Iowa, has changed its title to the First State. Albert Johnson is president, C. O. Macy, vice-president, and E. M. Cary, cashier. The capital stock is \$25,000.

The Iowa National at Davenport is overjoyed over its showing of \$900,000 increase in deposits in a single year. This brings the amount considerably over \$2,000,000. The semiannual dividends have been increased from four to five per cent, and the last one,



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907

HARRIS TRUST BUILDING, CHICAGO

paid the first of October, was \$7,500 on a capital stock of \$150,000.

The Persia Savings will increase its capital stock from \$10,000 to \$20,000, according to reports which have reached Des Moines bankers.

Otto Hill has been chosen cashier of the Davenport Savings at Davenport, succeeding the late Henry C. Struck whose death occurred some weeks ago. Mr. Hill entered the employ of the First National at Davenport in 1891 and was later made teller in the Davenport Savings.

Rupert E. Jackson has removed from Kansas City to become cashier of the State Savings of Chariton.

H. O. Swinger has been chosen assistant

cashier for the First National at Williams, Iowa. He has been at Thompson, Iowa, where he gained much experience that will now stand him in good hand.

Wallace Hamilton, teller of the Merchants National at Cedar Rapids, recently married Miss Hazel Hall.

Charles Fisher, arrested by detectives for the I. B. A. in connection with the Cylinder bank robbery last June, was found guilty at Emmetsburg and sent to the penitentiary.

S. R. Corneliussen of Story City has been ordered to dispose of the property belonging to the estate of John Swan. This is the outcome of the failure of the Citizens Bank of Swan which was wrecked when Swan's son, who was cashier of the institution, ran away

with all of the money in the bank and all he could negotiate from other institutions.

Charles Sankot, assistant cashier of the First National at Belle Plaine, recently married Miss Fannie Long of Grinnell.

PACIFIC NORTHWEST BANKING NEWS

(Continued from page 25)

Company, with five other Spokane nimrods, has returned from a three weeks' hunting trip on the south fork of the Kootenai river, in Montana. The other members of the party were: H. A. Buzard, James Ramage, James Young, A. W. Stine and Everett E. Young.

Associated with other capitalists, Thaddeus S. Lane, Spokane, capitalist and head of the Home Telephone Company, is promoting an interurban electric railroad in Utah between Salt Lake and Provo. Work has been going on for three months and for ten days a corps of engineers has been making a private survey. The company will be incorporated soon. The road is expected to be in operation in a year.

Among out-of-town bankers who were in Spokane this week were: George W. Jackson, cashier of the Columbus Trail Bank of Dayton, Wash., W. W. Downie, cashier First National of Harrington, Wash., and E. W. Anderson, cashier Security State Bank of Newport, Wash.

CANADA'S LEADING BANK

New York, Oct. 21st—The monthly bank statement issued by the Dominion government shows that the Canadian Bank of Commerce has jumped to the first place in the list of Canadian banks, taking the position formerly occupied by the Bank of Montreal. The total assets of the Bank of Commerce on September 30th were \$242,172,114, as against \$240,503,295 of the Bank of Montreal. Total deposits of the former bank were \$188,572,345, or \$5,148,749 more than those held by the Bank of Montreal. As far as the item of deposits is concerned there are few banks in this country that come anywhere near these big Canadian institutions. The National City Bank comes nearest with average total deposits, according to last week's clearing house statement, of \$167,387,000. But the Guaranty Trust Company, now that the merger of the Standard Trust Company has become effective, announced total deposits last week of \$189,301,170. This is the first time that a trust company member has reported deposits greater than any bank member of that institution. The Guaranty Trust Company, therefore, holds deposits not only larger than any bank in the United States, but also in the Dominion of Canada.

NEW ARKANSAS BANK

The Commonwealth Trust Company is the name of Little Rock's latest banking institution, which has been incorporated with a capital stock of \$200,000, of which \$100,000 is paid in. The purpose of the company will be to do a general banking and trust business, as well as deal in land and real estate. The incorporators are Charles Berner of Tulsa, Okla., L. H. Bradley, a well-known business man of Little Rock, and L. W. Hagg of Kansas City, Mo.

Officers of the institution have been elected as follows: Charles Berner, president; L. W. Hagg, secretary; L. H. Bradley, treasurer; Charles Berner, L. H. Bradley, L. W. Hagg, De E. Bradshaw and Isaac Kline, directors.

Both Messrs. Berner and Hagg said last night that they were looking ahead toward the future of Arkansas and the development of the great natural resources of the state.

Springfield (Ill.) Correspondence

The Illinois Valley Trust Company, capitalized at \$100,000, was organized at Peoria last Saturday by P. J. Ryan, of the firm of P. J. Ryan & Co., mortgage bankers, and others. The following officers were elected: President, P. J. Ryan; vice-president, F. L. Aubertin; secretary, C. F. Dilzer; treasurer, O. J. Dolan; attorney, J. F. Bartley; counsellor, E. D. McCabe; directors, W. D. Gordon, B. F. Graham, O. J. Dolan, C. F. Dilzer, J. J. Casey, F. L. Aubertin and P. J. Ryan.

State Bank at Blue Mound

The new Bank of Blue Mound has been organized with a capital stock of \$50,000. Chas. Moomey was elected president, W. O. Matthew, vice-president, and J. A. McClure, cashier. The directors are: Charles H. Moomey, W. O. Matthew, William Hartwig, Albert Zeigler and E. W. Crow. The banking quarters formerly occupied by J. W. Brown & Co. have been secured and it is expected to open the new bank by November 1st.

Fulton County Corn Show

The second annual meet and show of the Fulton County Corn Growers' Association will be held at Ipava December 10th to 13th. Professor P. G. Holden of the Iowa Agricultural college, who is reputed to be the greatest authority on corn in the world, will deliver a lecture. The total value of premiums offered is \$1,240. In addition, there will be several special prizes of value. Leigh F. Maxcy, one of the best corn judges in the state, will act as judge and will also teach the classes in scoring, seed selection and breeding. The school is open to members of the association only. For the best ten ears of corn shown at this exhibit there is offered \$100 in sweepstakes, contributed by the Fulton County Bankers Association.

John F. Fierke Elected to Board

Directors of the First National of Elgin have elected John F. Fierke, president of the Illinois Iron and Bolt Works of Carpentersville, to fill the vacancy on the directorate caused by the death of the late D. F. Barclay. Mr. Barclay's place as president has been left open for the time being, and vice-president W. L. Black will act as president until the annual election of officers.

Bank of Galesburg in New Building

The opening of the new rooms of the Bank of Galesburg on Monday attracted a great many people who were interested in seeing the fine new equipment. There was no question but that the directors of the bank spared no expense to make the banking room beautiful and useful. Booklets giving a short history of the bank, and telling of its safety and success, were distributed.

The Bank of Galesburg was incorporated in 1891 with a capital of \$100,000 and no surplus. Since then the capital has been increased to \$125,000.00, and the surplus fund to \$325,000.00, making a total capital and surplus of \$450,000.00, and assets of \$1,536,914.25 on the twenty-first anniversary of their incorporation. The present officers are: C. C. Craig, president, N. O. G. Johnson, vice-president, P. N. Granville, cashier, C. E. Johnson, assistant cashier.

Town to Get First Bank

Willisville, in the southwest part of Perry County, is soon to have its first bank. The institution will be known as the Farmers and Citizens Bank, with a capital stock of \$10,000. Capitalists from Ava, Percy and Willisville are interested in the bank, the officers of which

are: President, E. A. Brown, also vice-president of the State Bank of Ava; vice-president, W. L. Husband, cashier of the Bank of Ava; cashier, A. Glen Brown of Ava.

Illinois Notes

E. H. Hyneman, a leading banker and one of the best known citizens of Lexington, died Sunday night at his home, after a lingering illness of six weeks. Mr. Hyneman was one of the organizers of the State Bank of Lexington, with which he retained his connection to the time of his fatal illness.

George Campbell has been elected cashier of the State Bank, Jerseyville. Mr. Campbell succeeds Geo. M. Eaton. Clarence Dodson, Misses Elizabeth Eaton and Harriet Bowman were elected assistant cashiers.

At a monthly meeting of the directors of the Swedish-American National Bank, held recently, L. H. Birdsall, the active vice-president, tendered his resignation as vice-president and director. Mr. Birdsall's decision to retire was reached on account of his age and because his health is not good. John A. Alden was elected active vice-president to serve out Mr. Birdsall's unexpired term, and assumed his new duties October 15th. Alderman A. E. Anderson was elected to succeed Mr. Birdsall as director.

The First National of Aledo, is again located in their rooms on the first floor of the Merchants hotel building. The rooms have been remodeled in every particular and present a very fine appearance.

INVESTING MONEY IN CANADA

Edmonton, Alta.—Taxes have reached such high figures and become so general in Great Britain that capital is being literally taxed out of the country, with the result that the English investors are bringing their money to Canada, especially to the western provinces, according to Herbert H. Fuller, head of the firm of H. H. Fuller and Company of London, England, which is engaged principally by large corporations and private owners in the old country to check assessments levied on properties for taxation purposes.

"That is the reason why so many prominent public men and financiers of England are in western Canada at this time," Mr. Fuller continued in the course of an interview at Edmonton, Alta. "They are looking for places to invest their money where it will be exempt from unfair taxation. The old country is overburdened with taxation; in fact, many declare they are taxed almost out of existence."

Mr. Fuller looks upon the single tax plan in operation in the province of Alberta as approaching the ideal method of taxation. He expressed doubt, however, as to whether it would work so well when the cities reach their ultimate growth. Land is increasing in value so rapidly, said he, that it provides a constantly increasing revenue from taxation to keep pace with the needs of the city, but when the values become fixed some other system may be required as a supplementary method to raise the necessary revenue for the civic requirements.

Reverting to the subject of taxation in England, Mr. Fuller said:

"We are taxed for the light and water we use, for the ground we occupy and the ground we own, our incomes are taxed, our business is taxed and if we buy land and resell at a profit we have to pay part of the profit over to the government. It is apparent, therefore, that for corporations and firms owning a large amount of property the taxation is a heavy item and a mistake in the assessment or in calculation means a great deal. It is so important a factor indeed that some firms employ their own men who devote all their time

to checking the taxation. Valuation for taxation purposes in Great Britain is based on the rental value of the property and naturally this is a constantly changing thing, the state of trade and other conditions of business, such as competition and other forces, all having to be taken into account."

"Everything is in a muddle," Mr. Fuller added, referring to the valuation of the land of the country that is being done in accordance with the provisions of Lloyd George's budget of 1909. "The government has an army of young and inexperienced men, who are being paid from \$1,000 to \$5,000 a year, at work on the valuation, and when their work is completed it will probably be found that it will be of little actual value. Most of the valuation are likely to be incorrect."

"It is the same with regard to the tax on the increase in land values. I sold property last February and it has not yet been decided how much I shall have to pay to the government under the Lloyd George budget on the increased value in the land."

"The system of taxing the increase in land values is not fair, because it discriminates against a particular class of investor. The man who invests in stocks and shares and makes an additional 5 per cent on his investment has to pay only the ordinary income tax, but another man who invests the same amount in land and reaps a profit is required to pay a proportion of that profit to the government."

"The whole system is part of Lloyd George's policy of trying to give the people something for nothing. When he introduced the Insurance Act his cry was 'ninepence for fourpence.' He promised the working man that for his contribution of fourpence he could give him ninepence worth of insurance. Of course, the difference has to be made up somewhere and the rest comes partly out of the pocket of the employer and partly out of the pockets of the taxpayers of the country as a whole."

Mr. Fuller agreed with the principle of taxing unearned incomes, believing it right that the man who does not have to work for his living should pay more taxation than the man who earned his bread by the sweat of his brow, whether he worked by his hand or his brain. However, he sharply criticized the insurance act. While admitting that insurance is necessary for everybody, he said that the details of the insurance act are unworkable, adding: "It is manifestly not business to charge the young man of twenty the same rate for insurance as the man of more than fifty, or the butler in a gentleman's house as much as the collier who risks his life every hour of his working day."

GOVERNMENT TO PROVIDE AGRICULTURAL EXPERTS

Announcement is made that soon the government will have an agricultural expert in every county where agriculture is of any importance. These experts will be paid partly by the counties and partly by the government. Their duties will be to give scientific advice to the farmers.

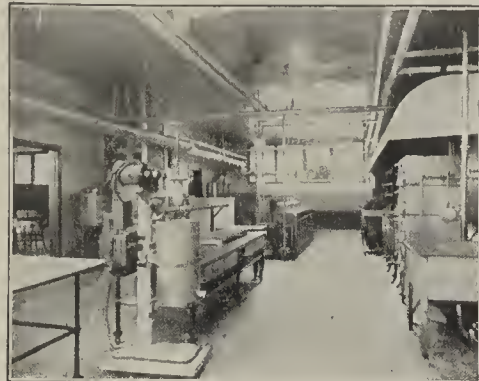
WHEN THE FORESTS ARE ABLAZE

One of the best of the fall books is from the press of A. C. McClurg & Co., Chicago. It is by Katherine B. Judson and entitled "When the Forests are Ablaze." The western forest fire, sweeping acre after acre in a few minutes, burning whole villages at a breath, overtaking and killing the settlers even as they flee, is something little known to the dweller in the city. It was something little known to Jane Myers when, tired of an unpromising teacher's career, she took up a quarter-section in a Washington forest reserve. Miss Judson tells dramatically how such a fire drove Jane from

her farm and wiped out a village inhabited by her neighbors. Written from the standpoint of intimate knowledge, the book is a scathing rebuke to the short-sighted and life-destroying policy of leaving the forests and the people who live near them to the mercy of the flames.

DINING AT THE FIRST NATIONAL

Not the night, but the day "before Christmas" and also the day before Thanksgiving the officers and employees of the big First National Bank of this city are treated to regular holiday dinners.



General View of Kitchen

It is not known generally that the bank maintains upon its eighteenth floor one of the best equipped kitchens and dining rooms to be found in the city. Floors and walls are tiled, and being called upon to serve but one meal a day the cleanliness is almost abnormal. If ever you receive an invitation to dine up there do not refuse it.

The restaurant is on the same floor with the kitchen. The large dining room for employees will seat about two hundred at a sitting. Only the noonday meal is served and it is given free to every employee of the bank. Caterer David Jones has a written order to buy none but the finest food products and meats and to serve only such things as are looked upon as "healthy." The luncheons are served on the "a la carte" plan. Mr. Jones has been complimented freely upon his efficient service and the bank has found it profitable to give him a very free hand in all matters of purchase and management. He has found it advantageous and economical to employ one of the very best chefs in



The Steam Tables



Range of Caldrons

Chicago to supervise the kitchen and has a carefully selected crew of assistants and employees. There are twenty waitresses on deck at each meal to serve the hungry bankers. The officers and heads of departments have a private dining room where out-of-town visitors and customers are freely entertained. On all special occasions such as Thanksgiving, Christmas, New Years and other holidays, a special menu is prepared by Mr. Jones and served the day before the holiday. On holidays the restaurant as well as the bank is closed. In addition to feeding its employees and officers well and carefully, the bank maintains a fully equipped gymnasium, reading room and rest room for the comfort of its help.

ADVENTURES OF NAPOLEON PRINCE

Thousands of readers followed "The Adventures of Napoleon Prince," by May Edington, when they appeared serially. If you didn't, you can now buy it in splendid book form, published by Cassell & Co., New York. Napoleon Prince is a fascinating rogue—a master criminal of a new type. His adventures are as thrilling and mysterious as were ever conceived by any writer. The tale ranks well up among fascinating mystery stories. It celebrates the art of thievery and roguery, where things are accomplished in subtle, discriminating fashion, not so much for the sake of the actual jewels stolen and wealth acquired, though that is not at all to be sniffed at, since it provides pleasant travel, luxurious hotel accommodations, and the cream of expensive pleasures, as for the sake of the "game," of seeing farther ahead, of being shrewder and quicker than anybody else—particularly detectives. There are many clever thefts, many successful turnings of the tables on other thieves, and two romances, clearly and cleverly related, enough to make a readable book. Moral sentiment is, of course, royally ignored, even the time honored code, "honor among thieves," but they are such a skilful set and thief so airily that one quite forgets any moral niceties for which one may have a personal bias and enjoys Napoleon Prince's adventures wholeheartedly.

NEW MONTANA BANKS

The Farmers State Bank of Valley county, Montana, has been incorporated to open up in Medicine Lake just as soon as their building can be completed. Adam Hannah, who owns a string of banks in North Dakota and Minnesota, is at the head of it. H. G. Anderson, of Browns Valley, Minn., will be the vice-president and manager, and S. C. Faaberg, of Iowa, the cashier. The capital is \$20,000.

The Homestead State Bank of Homestead, Valley county, has been organized. The incorporators are: Julius Rosholt, J. H. Oswald, J. C. Jackson, O. E. Jackson, O. K. Jensen, of Homestead, and C. J. Atkinson, of Sawyer, N. D. Capital \$20,000, all of which has been subscribed.

TALKS ON NATIONAL RESERVE ASSOCIATION

David R. Forgan, president of the National City Bank, Chicago, delivered an address on the National Reserve Association of the United States before the University of Wisconsin Club of Chicago at its regular Friday noonday luncheon in the German room of the Grand Pacific Hotel.

NATIONAL PRODUCE BANK GROWING

Edwin L. Wagner, president of the National Produce Bank of this city, says that his bank is growing in strength and increasing its earning power as a result of the excellent headway which business is making.

ELECTED A DIRECTOR OF CHESAPEAKE AND OHIO

Frederick H. Rawson, president of the Union Trust Company of this city, has been elected a director of the Chesapeake and Ohio to fill the place made vacant by the resignation of Thomas H. Hubbard.

GOES TO NORTH CAROLINA

H. O. Edmonds, vice-president of the Northern Trust Company, has gone to North Carolina, where he will spend a month's vacation.

G. H. Dunscomb, assistant cashier of the First National, Chicago, was in Indianapolis this week.

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Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

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TRUST COMPANY REORGANIZED

Boston, Oct. 21.—Following the purchase of the control of the Paul Revere Trust Company by interests represented by Edmund Billings, the company has been reorganized with the following named officers: President, Edmund Billings; vice-presidents, J. H. Turnbull and James Jackson; secretary and treasurer, Wallace H. Pratt.

Department of New Business

NORTHWEST

Blue Mound, Ill.—The Bank of Blue Mound has been organized by Ezra W. Crow, John B. Matthews and E. O. Illes.

Rising Sun, Ind.—The Rising Sun Trust Company has been organized with \$25,000 capital. Simon Beymer, Daniel A. Hanna, H. W. Scranton, B. E. Harris, O. H. Pate and Calvin A. Green are the directors.

Crothersville, Ind.—The Citizens State Bank has been organized with \$25,000 capital. A. G. Ritz is president and Don Voyles cashier.

Vandalia, Mich.—The Farmers and Merchants Bank has just opened for business. The president is William Gunn and Charles Fritz is cashier.

Beaverton, Mich.—The State Bank of Beaverton has been organized with \$20,000 capital.

Howards Grove, Wis.—The State Bank has been incorporated with \$10,000 capital. A. H. Witte, George Zimmerman and N. Fitz, are interested.

Middle River, Minn.—The Security State Bank has been organized with the following officers: Jonas Syoberg, president; W. J. Brown, vice-president, and Erick P. Modin, cashier.

Manning, N. D.—The First State Bank has been chartered with C. G. Kapelovitz president.

Oakdale, N. D.—The Northwestern State Bank has been chartered with \$10,000. Among those who are interested are: E. K. Wilcox, A. B. Curry and H. S. Cuskelly.

Lincoln, N. D.—The Lincoln Valley State Bank has been organized with J. J. Schmidt president and A. M. Hauser cashier.

Burt, N. D.—The Burt State Bank has been organized by R. W. Conklin, of Lemmon, S. D., who is the principal stockholder.

Kansas City, Mo.—A new bank is proposed on the north side, to be known as the National Bank of North Kansas City.

SOUTH

Carthage, Tenn.—The Peoples Bank of Smith County has been incorporated. The officers are: S. M. Young, president; G. W. Allen, vice-president, and A. W. Burton, cashier. Mr. Burton was formerly with the American National Bank, Nashville.

Watertown, Tenn.—The Citizens Bank has been organized with the following officers: A. A. McNeel, president; Frank Roy, 1st vice-president; J. M. Paschal, 2d vice-president; Wm. Phillips, 3d vice-president, and W. M. Litchford, cashier.

Amity, Ark.—The Farmers and Merchants Bank has been established with \$25,000 capital. Hanson J. Marks is president, R. B. Griffs and W. W. Watson, vice-presidents, and John W. Thompson, secretary and treasurer.

Paris, Ark.—The Bank of Commerce has been organized with Ezra J. Morgan president and C. E. Pyle cashier.

Richland, Ark.—The Bank of Richland has been organized with G. W. Ledbetter president and Dr. N. J. Hill vice-president.

Jacksonville, Texas.—The Farmers State Bank and Trust Company has been organized here with \$50,000 capital. Among those interested are: A. C. Dickinson, who is to be cashier; W. A. Nixon, who will be vice-president; C. C. Childs, E. M. Grimes and D. B. Dashiell.

Burkburnett, Texas.—The Farmers State Bank has been organized with \$25,000 capital. O. A. McWhorter, S. A. Fowler and W. C. Myers are interested.

WEST

Chappell, Neb.—The Chappell State Bank has been organized with \$15,000 capital. H. G. Wiegand is president, H. C. Peterson vice-president, and W. E. Roudebush cashier.

Box Elder, Mont.—The State Bank of Box Elder, has incorporated with \$20,000 capital. Levi Fossum, Eva T. Fossum, Wm. Meyer and W. S. Town, are interested.

Wilson Creek, Wash.—The Wilson Creek State Bank has been organized with \$15,000 capital. C. Peterson, Donald Urquhart and W. R. McDowell are interested.

Battle Ground, Wash.—The Bank of Battle Ground has been organized with Arthur C. Smith cashier.

San Diego, Cal.—The East San Diego State Bank has been organized by Victor Morgan, assistant cashier of the Southern Trust and Savings Bank. Mr. Morgan will be cashier.

Woodlake, Cal.—The Bank of Woodlake has been organized with \$25,000 capital.

Windsor, Ont., Can.—A branch of the Bank of Montreal has been established here under the management of F. W. B. Moore.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

acres in size and worth \$3,653—\$24.37 per acre; and ten years later, in 1910, the size of the average farm was less, 138.1 acres, but had a value of \$6,444—\$46.64 per acre. 80.9% increase per average farm. Farming may not pay, but it almost equals working in the city for \$15 per week where it costs \$65 per month to live.

STUDY these paragraphs and then only read the head-lines of the average banker-farmer address on the agricultural uplifts. You can leave out the fuss and feathers.

JAMES B. FORGAN BACK FROM NEW YORK

James B. Forgan, president of the First National of this city, returned this week from a trip to New York. He reports that there has been a reaction in the political sentiment of the banking district there from Roosevelt to Taft.

KENTUCKY TRUST COMPANY INCORPORATED

Title Guaranty and Trust Company of Lexington, Ky., has been incorporated with capital stock of \$150,000. Gilmer Pryor, John R. Allen, William B. Porter and others are the incorporators.

OREGON BANKER ARRESTED

Silas Rich, ex-paying teller of the U. S. National Bank of Salem, Ore., has been arrested by a U. S. marshal and taken to Portland. Rich is being held pending an inquiry as to his connection with the alleged embezzlement of \$2,400 from the Salem bank. He has been indicted by the Federal Grand Jury for embezzling funds of the institution. The bill contains thirty-five separate counts, eighteen of which are for appropriating the bank's funds and the rest for making false entries in the institution's books covering the alleged thefts. The funds were taken from the general cash, and he is said to have covered the removals in figuring the interest accounts. He was a trusted employee and had ready access to any of the bank's books. He has admitted the embezzlements and the false entries.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

dation with Snyder at the top is the talk. Any of the wise ones will "dope it out" for you.

GIRARD National, Philadelphia, has gone to a 16 per cent dividend basis. Cashier Joseph Wayne, Jr., has sent out the official notices.

HAVE you noticed how eagerly the eastern papers are planning George M. Reynolds' future for him? We predict that he will continue for many years to take care of that matter himself. He is growing faster even than his big bank.

R. J. DAVIDSON, the new president of the Columbia National, Pittsburgh, was for two years vice-president of the Columbia. He has had good training for the position and in Pittsburgh is referred to as "a natural born banker."

OSCAR J. TELLING, formerly of the controller's office, has made good as president of the big First National of Pittsburgh. He has doubled the capital only recently to two millions. The new stock was placed at \$175, increasing the surplus by three-quarters of a million.

MISSOURI practically has completed her group meetings and Ohio has started in on her list. Why can't Illinois—but we tire of asking why she trails, always trails?

JAMES K. Hsley, of Milwaukee, Wis., says the failure of the Oklahoma guaranty bank deposit law was inevitable and foreordained because the law endeavored to make the sound banks responsible for the losses of their speculative and reckless neighbors.

THE atmosphere down east is surcharged with talk of mergers and consolidations. Particularly is this true of the Wall Street district in New York. Some big names are mentioned, both banks and trust companies.

EVEN in industrial and railroad circles the talk is merger, merger. After the election the air will be still fuller of it.

J. B. FORGAN, returned from New York, and Joseph Chapman, visitor from Minneapolis (no collusion), both report rapid changing of votes from Roosevelt to Taft. Honest, haven't you noticed it yourself?

AT the latest, B. F., down at Champaign, still was out in the cold but feeling lonesome.

IN explanation of why we didn't print the Indianapolis address of E. St. Elmo Lewis: He promised to send it, first by registered mail and later by express, but he didn't do either.

COULD it be possible that it is "coming by freight?" Perish the thought. It was too light and airy for that.

R. T. FORBES of St. Joseph has decided not to accept a re-election to the presidency of the Commerce Club of that city. The club under him had a most successful year.

PAUL J. ULRICH, cashier of a bank bearing his name at Mt. Clemens, Mich., holds one record at least. He broke his strong right arm killing flies. He will explain if you want to know.

HOW to keep the "farmers' friend" in Minneapolis is the question which has superseded, for the time at least, the one about keeping the boy on the farm. Still, it's only eight miles farther from the farm to St. Paul than it is to the old stand.

PEOPLES Trust and Savings of Clinton, Ia., is sending out a beautifully illustrated booklet prepared for the Commercial Club of that city. It has a colored cover showing

views in the city streets, in the parks, and on the surrounding farms. The illustrations, which, together with the text, make up the book, show handsome residences, fine business blocks, and new bank buildings.

E. N. JOHNSON, cashier of the First National of Mishawaka, Ind., is good enough to compliment THE CHICAGO BANKER on its "excellent write-up of the proceedings of the Indianapolis convention." He further testifies to his appreciation by enclosing his check for an annual subscription.

CHARLES W. BENEDICT, representing the Brookmire Economic Chart Company of St. Louis, has been in Chicago this week advancing the interests of their publication known as "Brookmire's Forecaster," which contains an analysis and forecast of fundamental conditions, and is published weekly. It touches upon agriculture, the security market, banking and current topics. It publishes a chart giving the plus and minus situation for business and for banking, the illustration being in the shape of a barometer.

HIBERNIA Bank and Trust Company of New Orleans is taking an active interest in the agricultural and educational movement which has been so prominent on the convention programs of the state associations this year.

PRESIDENT John J. Gannon is an inquirer for information on this subject. Most of the agricultural colleges and nearly all of the state bankers' associations have literature relating to this topic, which may be had on request. Copies of the Minneapolis conference report can be arranged for through Joseph Chapman, vice-president of the Northwestern National, Minneapolis.

THE September-October issue of the "Banking World," which is the new title for the bi-monthly publication issued by W. Y. Barnett of this city, is out with a full report of the Detroit convention, including many beautiful pictures, and with a report of the American Institute of Banking convention at Salt Lake City.

GEORGE M. REYNOLDS, who is recuperating at the big Marlborough-Blenheim at Atlantic City, writes to a Chicago friend to say: "I am improving rapidly, but am afraid it will get to be real work to stay out my time until November 1st."

MEMBERS of the McCormick family in Chicago seem to be very absent-minded about electoral qualifications. The famous J. Medill McCormick was obliged to withdraw from the legislative ticket because he had not resecured a proper residence certificate in Illinois.

NOW comes A. A. McCormick charged by Peter Bartzen with being an Indiana carpetbagger. The state constitution requires five years' residence "next before the election," and Mr. Bartzen has shown by the transcripts of poll books in Indianapolis and by personal tax receipts paid in that state that Mr. McCormick has been an actual resident of Chicago less than three years "next before the election."

A. A. is not a full-fledged moose, as is J. Medill, but only a half-breed. He is running on both the republican and bull moose tickets for president of the county board, for which Mr. Bartzen has pretty clearly shown he is not legally qualified.

COLONEL ROOSEVELT, while in the hospital here, read and spoke highly of Charles Aldine Seltzer's "The Coming of the Law." In this we join the colonel heartily.

THE administrative committee of the A. B. A. will meet in St. Louis Monday, Oct. 28th. Business of importance is coming up.

PRESIDENT GEORGE B. CALDWELL and Secretary F. K. Denton have issued formal invitations to the Investment Bankers Association convention in New York for November 21st-22d at the Waldorf-Astoria.

A SPECIAL train will be run from Chicago over the Lake Shore to haul the Chicago and western delegates. A large attendance is expected and a fine program has been prepared.

COMMERCIAL NATIONAL of Shreveport, La., will open its new home formally on Monday. A reception from seven to ten P. M. will be tendered to friends and patrons of the bank, which is one of the best conducted institutions in the South.

THE proceedings book for the organization of the Investment Association is out and it is quite a pretentious volume. This new organization is quite a husky youngster. Note what they've done in a year.

FIRST they went to Briarcliff to lay siege to the Big Council, where they gracefully accepted a turn-down. They decided to earn their spurs by showing their friends a high purpose.

THEN a Chicago meeting and banquet were held, closely followed by the organization meeting in New York, Aug. 8th. In less than a month their annual convention will be pulled off.

THIS is going some, even for investment bankers, and they are not the slowest of their kind. Even the banks and bond houses must admire the pluck, which have held aloof in spirit and determination of the founders.

IF you believe all you read, here is what we're up against. If Wilson is elected we are assured that the tariff will be sliced to souphouse proportions. If Taft is re-elected the "interests" which now have the country suspended on a fork will swallow us all down at a gulp. If Roosevelt becomes the real Bull Moose, the government will be turned over to the anarchists for experiment with new form of socialistic dynamite.

THE facts are that the country is enjoying the preliminaries of the greatest business boom it has ever known and it isn't going to be strained merely because three or four other- wise very worthy gentlemen choose to spend weather calling each other hard names and predicting dire things in the event of their own failure of election.

SPELLBINDERS may say spiel about the tariff as being responsible for the increased cost of living, red fires and torch light processions in places; but a five minutes' perusal of Uncle Sam's 13th Census Bulletin on Agriculture, will tell the whole story. Less than a dozen lines will do—all things cost more now than they used to.

THE city (consuming) population is increasing more than three times as fast as the country (producing) population. The demand (population appetite) increased 21 per cent, while the supply (farm crops) only increased 1.7 per cent. When the demand increases faster than the supply, prices always go up.

IN 1880, 70.5 per cent of the population lived in the country; in 1900, 59.5 per cent lived in the country; in 1910, only 53.7 per cent lived in the country to supply nearly half of the population. An ever increasing demand of the rural population to supply that demand.

IT is frequently said that farming doesn't pay. In 1900, the average farm was 146.2 (Continued on page 30)



ESTABLISHED 1857

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VIA THE

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NEW EVENING TRAIN
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Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank OF PHILADELPHIA

Capital	\$3,000,000.00
Surplus and Profits	6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
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R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank OF PHILADELPHIA

Capital	\$2,000,000
Surplus and Profits	4,900,000
Deposits	43,380,000

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President

RICHARD L. AUSTIN
Vice-President

T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier

CHARLES M. ASHTON
Assistant Cashier

CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

NOVEMBER 2, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

L. A. GODDARD ON GENERAL OUTLOOK

L. A. Goddard, president of the State Bank of Chicago, when interviewed this week concerning the general situation, said:

"There is a fair and healthy demand for money at good rates, and I believe that the rates will hold fairly strong for sixty days, at



A. S. BEYMER
Pittsburgh
President Pennsylvania Bankers Association
Cashier Keystone National

least. It would not surprise me much if they continued so even up to March or April. If there is a change in the administration at Washington, no one, of course, can predict with any degree of certainty what effect or influence it will have on commercial or financial conditions. It will depend a great deal upon the attitude the new administration assumes toward business interests. The country is very prosperous indeed, and if a new administration is to be tried it is just as well prepared now as it possibly could be. The banks are all in a strong position, and in any event I do not look for anything like a panic. I think that following this wave of prosperity it would be natural, however, to have some recessions and depreciations in values and in business activity."

TO MAKE GOOD ROADS TALK

W. G. Edens, assistant secretary of the Central Trust Company of Illinois, will attend a national dairy show luncheon of the members of the Illinois Association of Farm Press Editors, given at one o'clock on Saturday, November 2d, at the Saddle and Sirloin Club at the stockyards. He will address the members and urge their support of the good roads campaign now in progress in Illinois, and their support of the platform of the Illinois Highway Improvement Association, which is advocating legislation touching upon the subject of the improvement of the wagon roads of Illinois.

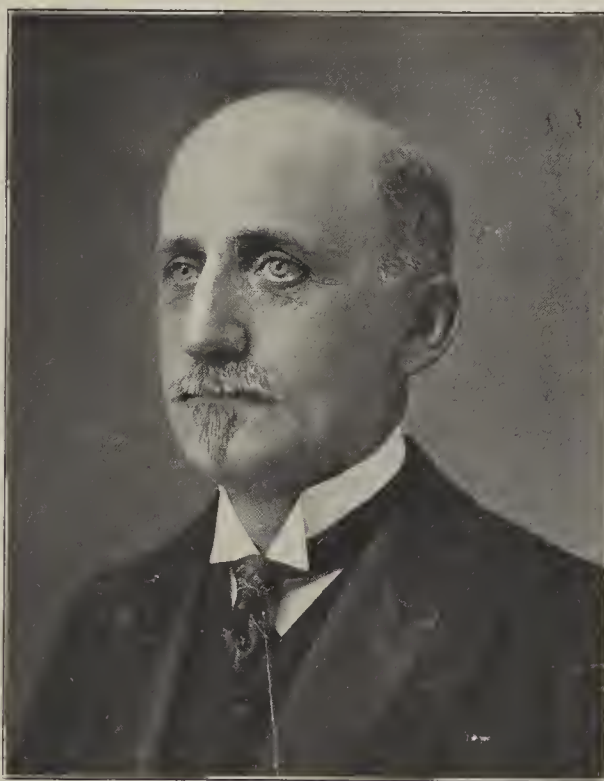
Ralph N. Ballou

Ralph N. Ballou, cashier of the National Produce Bank of Chicago, has been elected treasurer and a director of the Illinois Athletic Club. Mr. Ballou also is a member of the Bankers Club of Chicago and of the Hinsdale Golf Club. The Illinois Athletic Club is fortunate in the selection of a man of Mr. Ballou's attainments.

RECORD IN BANK CLEARINGS

Bank clearings in Chicago for the full month of October were \$1,456,000,000. This makes a new high record, being about \$115,000,000 more than the former high mark made in March, 1910. The amount is also \$253,000,000, or 21.08 per cent more than the clearings in October last year.

In the ten months ended yesterday, Chicago bank clearings reached a total of \$12,706,000,-



D. S. KLOSS
Tyrone
Secretary Pennsylvania Bankers Association
Cashier First National

000, or more than 10 per cent in excess of those in the corresponding period of last year.

It seems certain now that local clearings for the full year will run above \$15,000,000,000.

WILLISVILLE, ILL., TO HAVE FIRST BANK

Willisville, Ill., in the southern part of Perry county, soon will have its first bank, which will be known as the Farmers and Citizens Bank, with capital stock of \$10,000. Capitalists from Ava, Perry and Willisville are said to be interested in the organization of the new institution. Officers of the new bank are as follows: President, E. A. Brown, who is vice-president of the State Bank of Ava; vice-president, W. L. Husband, cashier of the Bank of Ava; cashier, A. Glen Brown of Ava.

STRAUS & CO. OPEN NEW YORK OFFICE

S. W. Straus & Co., mortgage and bond brokers of this city, are sending out announcements of the opening of their eastern office at 1 Wall Street, New York. They will deal exclusively in first mortgage bond and loan investments secured by absolute direct first liens on centrally located, improved, income-producing Chicago real estate netting the investor 5½ to 6 per cent.

COMMITTEES SOON TO BE NAMED

President J. D. Phillips of the Illinois Bankers Association is working on his committees and will make an early announcement of the appointments. He finds the liveliest interest on the part of members in all of the association's activities and willingness on their part to co-operate to make his administration successful.

F. O. WETMORE BACK FROM TEXAS

F. O. Wetmore, vice-president of the First National Bank of Chicago, recently has returned from a trip to Texas. Mr. Wetmore says that business conditions are good in the Lone Star State. Texas has had the largest crop in its history this year. Some difficulty has been experienced, however, in securing a sufficient number of laborers to harvest it. The feed crop has been unusually large. The people all are happy and contented, and are looking forward to the future with a good deal of assurance.

C. H. BURKE IN INVESTMENT BUSINESS

C. H. Burke, formerly with the Hibernian Bank of Chicago, has gone into the investment business.



A. D. SWIFT
Ridgway
Treasurer Pennsylvania Bankers Association
Cashier Elk County National

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

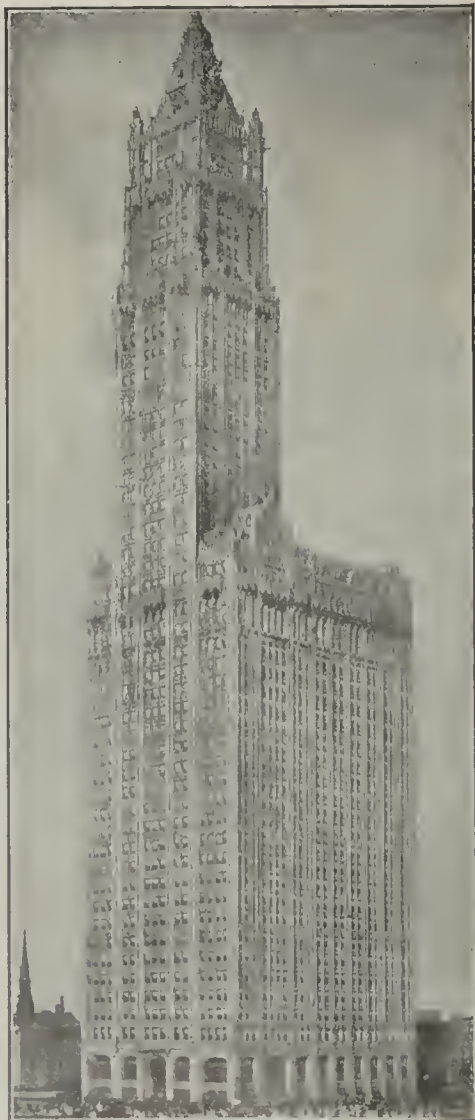
CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

OFFICERS

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

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JAMES E. NICHOLS, Vice-President
ROLLIN P. GRANT - - - Vice-President
WILLIS G. NASH - - - Vice-President
BENJ. F. WERNER - - - Vice-President
CHARLES H. IMHOFF - - - Vice-President
EMIL KLEIN - - - Vice-President
HARRY E. WARD - - - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, JR., - Assistant Cashier
J. FRANKLYN BOUKER - Assistant Cashier
SAMUEL REDFERN - - - Assistant Cashier

Mainly About Banks and Bankers

SPEAKING about Garrard Comly of Boston for the A. B. A. treasurership, reminds one that the friends of Vice-president Graham of the Citizens National, Baltimore, have been quite active for some time.

IN fact Graham would have been in the running at Detroit but for the custom which gives the treasurer two years, and J. Fletcher Farrell was willing.

AS it is remembered here, there has been objection at times to giving office to any banker in the entertaining city. It kept Mitchell out of the treasurership at Denver and helped to discourage Wexler at New Orleans, out for the chairmanship.

FORMERLY it was the custom to hand some nice place to the chairman of the committee on reception or some other good fellow among the hosts of the convention.

WITHOUT mentioning names you can recall two or three bad guesses (about the only ones) which the association made at such times. All this may be changed at Boston.

OTHERTHAT if the treasurership should go to Graham, then Comly would come in nicely the year after at New York.

THEN, too, the committee on new constitution may so revolutionize things that precedent may be overturned for the new deal.

A GAIN your attention is called to the fact of a new constitution. Valuable suggestion has been made by N. E. Franklin and he has no monopoly of the business. You can all cut in.

THE committeemen—James of Easton, McNider of Mason City, Jones of Denver, Dunlap of Waxahatchie and Bailey of Atchison—all of them will be glad to hear from you.

"THE White Alley" is the long story in Lippincott's for November. It is by Carolyn Wells, who has written other fine tales like "The Clue" and "A Chain of Evidence." It is a detective story and will keep you awake.

SAYS Comptroller of the Currency Murray: "I am going to use every bit of power to be found in the National Bank Act to safeguard the depositors in the national banks of this country. I am going to use it as wisely as I know how, but I propose to use it."

W F. HAMMEL, cashier of the failed private bank at Gladstone, Mich., carried \$80,000 in life insurance policies. The companies have a lien on the policies for \$7,200 advanced thereon, and there may be little equity left for the creditors.

FIRST National in Davenport, Ia., has put out some attractive advertising based upon its having been the first national bank established under the law. It was chartered June 29, 1863.

GEORGE WOODRUFF is getting quite a reputation as an authority upon the European system of extending agricultural cred-

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

Will Buy a Bank

An experienced Illinois banker will purchase substantial interest or control of either State or National bank in territory tributary to Chicago. Answers in confidence. Abundant references. Prompt replies. Address

B. B., Care of Chicago Banker
407 Monadnock Block CHICAGO

SAFE FOR SALE

Modern Mosler Bank Safe with triple time locks

Address, **J. D. WOOD**
1410 First National Bank Building CHICAGO

its. The fact is that Mr. Woodruff is enough of a practical banker to have followed up the item of net cost to the borrower.

A LOT of professors and theoretical gentlemen have for years taken it for granted that when a farmer borrowed money of a French or German bank at 3½ per cent that that is what the loan cost him. Mr. Woodruff has been showing consecutively since the convention at Detroit that what the farmer gets in return for the mortgage on his farm merely is a debenture bond issued by the loaning bank.

THE farmers must sell these debenture bonds to the public and sometimes they do not realize more than 85, which brings the price of the loan up above the published rate for loans and almost to a parity with similar loans made on equally good collateral in the United States.

THE bankers were quick to appreciate the spotlight which Mr. Woodruff turned upon the situation on his return from Europe. They are waiting for him to publish his views on President Taft's letter covering the same subject.

ELMER E. ADAMS, president of the First National up at Fergus Falls, has written to President Taft to inquire "Why not immediate relief to the farmer by permitting national banks now organized to loan their money on farm lands?"

THIS Minnesota bank is in nowise differently situated than hundreds of other national banks located throughout the West. They are full of money belonging to farmers, yet when the farmer goes into the bank and wants to borrow money on his land, they must turn him away.

THERE are many counties in the Northwest where there are no other lines of business which demand much capital, except farming. Bankers in such communities believe the money would be better employed by loaning to the members of their own farming community rather than diverted to the central reserve cities where much of it eventually is employed in speculative enterprises by borrowers not nearly so valuable to the community as is the first-class American farmer.

SECRETARY J. L. HARTMAN of the Oregon State Bankers Association may well be proud of his annual proceedings book. So much attention was given to agricultural development and education that it ranks second only to the Minneapolis conference report. It will be very interesting to those who are studying these subjects.

IN another column of this issue will be found a statement from A. E. Walker, superintendent of banks for Alabama, stating it to be his belief, and giving good reasons, that more banking capital could be employed profitably in his state. Mr. Walker is one of the liveliest of live wires in banking department work and will answer promptly any inquiries which may be made concerning locations for new banks in Alabama.

A BANK for women has been established in Berlin. Its staff is composed exclusively of women, and it caters primarily to the needs of women.

THE American National, San Francisco, says: "Serenely indifferent to the outcome of the political controversy, calm in the belief that the world will continue to revolve in its accustomed orbit regardless of whether Mr. (Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
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LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

CONVENIENT
EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. S. BISHOP, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
J. F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Builer

DIRECTORS
Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
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Martin A. Ryerson
Benjamin Carpenter
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



**WE BOOST YOUR BUSINESS AS WE
BOOST OUR OWN. OUR SERVICE
TO YOU MEANS BETTER SER-
VICE TO YOUR CUSTOMERS**

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Bank Plan of Aldrich Bill Has Been Rejected

Washington, D. C., Nov. 1st.—Treasury officials, bankers and legislators who are present have experienced a genuine sensation this week by the absolute repudiation of the National Monetary Commission plan of currency reform by an important division of the National Citizens League. This is looked upon here as meaning the death of the so-called Aldrich bill on which so much money and time have been spent. The final blow was dealt by the Hon. John H. Rich, of Red Wing, Minn., president of the National Citizens League of Minnesota, who has issued an important statement on the banking situation in which he entirely repudiates the Aldrich or Monetary Commission banking reform plan. Mr. Rich says:

"The banking and currency reform measure submitted to Congress in January by the Monetary Commission, and popularly known as the Aldrich bill, is a dead measure and cannot pass.

"Neither the so-called Aldrich bill nor the report of the Monetary Commission, in which the banking and currency needs of the country are well summarized, are essential parts of this reform, and the Citizens League of Minnesota feels no regrets at the improbability of the passage of the former. It has been, so far, the only bill before Congress, and as such it has deserved careful study. Banking reform does not, however, depend on this bill, and it is of little consequence whether the machinery proposed by the so-called Aldrich bill, for carrying a needed reform into effect, is retained or discarded.

"Other measures are in process of preparation, one by a sub-committee in Congress, one by Senator La Follette and others by men who have been giving this subject much thought.

"Senator Aldrich is no part of banking reform nor is any suggestion, plan or proposal of his essential. It is necessary that there be an adequate rediscount system, that government notes be secured by something better than a rigidly fixed quantity of government bonds, and that the government cease tying up millions in its vaults, when the commerce of the country needs this money. It is necessary that Wall Street's control, now given practically by law, over the bank reserves be broken. There should be a legal and effective form of co-operation between banks.

"Any bill before Congress should be distinguished from the reform itself. The former is merely the means of carrying a vital and progressive plan of relief for the business of the country into effective operation.

"This organization will demand that any bill provide a currency that will rise and fall with the fluctuations of the country's business, that it make the sound agricultural and commercial paper of the country liquid by provid-

Chairman John H. Rich of the Minnesota branch of the National Citizens League says it's dead. Wants specific reform and believes by avoiding details success is certain

ing suitable machinery for rediscount, that it provide for centralized reserves free from Wall Street control, that it provide a scientific note issue, and that the system of tying up government receipts of money be done away with.

"Congress will undoubtedly take some action toward this reform at the coming short session opening in December, and it is the belief of most well-informed men that the adoption of a new banking and currency system will not be delayed in any event beyond the following long session, which opens in the fall of next year."

The above is looked upon here in official circles as a significant sign of the times. It shows conclusively what has been repeatedly foreshadowed—that the currency bills now before Congress will not furnish a basis for actual reform, but must be superseded by some other that is better able to command popular support. Were this not generally recognized the country over, accredited officers of the National Citizens League would never express themselves so unmistakably as Mr. Rich has done. Although the league has never committed itself definitely to the Aldrich plan, there has been a general understanding that it regarded that measure as the best yet proposed, and hence to be taken as the foundation of such action as Congress might consent to.

Where does this abandonment of the tacit support given to the Aldrich bill by an important organization leave the currency reform movement? Mr. Rich is not very specific in his remarks on that point. He says: "It is of little consequence whether the machinery proposed by the so-called Aldrich bill for carrying a needed reform into effect is retained or discarded;" and again, "Any bill before Congress should be distinguished from the reform itself. The former is merely the means of carrying a vital and progressive plan of relief for the business of the country into effective operation." He adds that the chief points to be sought must be the provision of an elastic currency, the furnishing of suitable machinery for rediscount, and the establishment of centralized reserves free from undue financial control. To all of this there will be general assent. Few even of those who have been most positive in their adherence to the Aldrich plan have openly insisted upon the

use of the machinery of that measure itself. What Mr. Rich says, moreover, concerning the chief theoretical ends to be gained is unmistakably well founded. The points chosen as the chief ones to be kept in view are clearly those upon which there has been closest harmony.

The chief difficulty in the case remains and should not be minimized. This is the problem of securing an agreement as to the principal modes of reform to be adopted. There is practically no difference between unprejudiced men as to the desirability of elastic currency or even centralization of reserves. Both these elements have figured in all the recent reform programs. They were at the root of the Fowler plan for a Federal Reserve bank. They constituted the essential idea of the defective Aldrich-Vreeland act, and they were the head and front of the Aldrich proposition itself. It can fairly be said, therefore, that there has never been a time within the past ten or fifteen years when these elements were out of sight. If the agitation of the past three years has sufficed to bring some phases of the issue into clearer relief, it has done an important service. But when the specific measure heretofore put forward is thrown aside, much of the results of the work vanishes and the discussion falls back upon general principles as before. Such general principles are not enough to furnish the foundation for action in Congress. So numerous are the variations and deviations of the discussion, that the application to be made of an idea must be very clearly indicated before it can be fully indorsed or rejected as the material for legislation.

More should be done than merely to express the position of the National Citizens League and of other reform organizations in the very vague terms that have been employed by Mr. Rich and by others who have lately addressed themselves to the subject. Mr. Rich himself notes that there are many roads by which the attainment of the reform can be approached, and it is precisely the choice between the multifarious avenues of access that has heretofore caused the difficulty of making an immediate and genuine advance. Whether elastic currency shall be given first place in the legislation, or the stress be laid chiefly upon the establishment of centralized reserves, or some other proposition be put foremost, or an effort be made to include all phases of the reform in an omnibus bill, is the first question. It may not be advisable for those who advocate banking reform to give their allegiance to a definite measure—that is the mistake said to have been committed in connection with the Aldrich plan. But it is entirely feasible for reformers to unite upon a series of distinct propositions, indicating the chief points to be

**Total
Resources
\$16,000,000**

**CITIZENS NATIONAL BANK
OF BALTIMORE**

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00

dealt with, the topics to be assigned the principal place, and the broad lines upon which the discussion is to proceed. Such an agreement should be arrived at in the near future. There is reason to think that an attempt to reach it is already seriously under way.

SAFER BASIS FOR COMMERCIAL CREDITS

After careful consideration, the National Association of Credit Men has decided to do all in its power to bring about a speedy reform in our banking and monetary system.

The association has set its hand to this task because it believes the existing system to be inefficient and that it fails in supporting commercial credit during periods of unusual strain, due in the first place to the inflexibility of banking reserves, and second, to the absence of relation between the demands of commerce and our currency issues.

The association believes that if a solution is not found and put into effect this country again will be visited by a direful period of waste such as characterized the panics of 1893 and 1907. The association further believes that the enormous cost of the experience which the business men of the country paid during those years should be sufficient to awaken all to the fact that a crisis such as we passed through then cannot possibly be prevented under our present banking and monetary system. It holds that, as the basis of a change in our laws, there must be co-operation between banks and business men, this co-operation to be nation-wide, so that every part of the country shall have its needful and legitimate banking facilities on absolutely safe lines.

The association will make persistent efforts to interest its great business membership in this subject, with a view to drawing out expressions of opinion, and bringing about intelligent, well directed action. This is a service the National Association of Credit Men feels that it owes the business of the country which, to so large an extent, is based on banking credits.

NEW TRUST COMPANY OPEN

The First Trust Company of Portland, Ore., opened for business on November 1, 1912, at the corner of 3d and Washington Streets, with special entrances on Washington as well as on Third Street. The offices have been splendidly equipped. Its president is H. N. Tinker; treasurer, J. M. Hawkins; secretary and real estate officer, R. N. Tufford; assistant secretary, Jos. H. Ferguson, and Z. W. Commerford, manager of the insurance department.

MONEY AT 6 PER CENT

Rates for money in Chicago at most of the banks held steadily at 6 per cent at the close of the week. The demand in the East was strong for Nov. 1st requirements and country banks kept up their withdrawals.

GROWTH OF SAVINGS IN AMERICA

Despite the high cost of living deposits in savings banks have increased steadily. The report of the comptroller of the currency for the year ending June 14th shows that on that date there were 1,925 savings banks in the United States, forty-one more than a year previous. These banks had 10,009,804 depositors and deposits aggregating \$4,450,822,522.

In the year the number of depositors increased by 215,000, or by about 2 per cent; the deposits increased by \$238,000,000, or about 5.7 per cent. In the previous year the number of depositors increased 5.2 per cent and the deposits about 3.5 per cent. Obviously, therefore, the average depositor has increased his deposit, and the comptroller gives the average deposit this year as \$14.55 more than last year's average, which was \$430.09.

Have the postal savings banks drawn away from other savings banks? It seems probable that they have only slightly affected those banks, if at all appreciably. The average deposit in the postal bank is less than \$100. Merely as agencies for the promotion of the habit of saving the postal banks are valuable, and they are made use of by many who would not become depositors in other savings banks or who transfer their accounts to other banks when the total has reached a satisfactory amount.

NATIONAL SAFE DEPOSIT COMPANY ELECTS SECRETARY

At a meeting of the board of directors of the National Safe Deposit Company, L. F. Birchwood was elected secretary and manager, to succeed Daniel Peckham. Mr. Birchwood has been identified with the company for nearly thirty years.

A Railroad Bond to Net 5.65%

We own and offer a railroad bond secured by mortgage on about 1,381 miles of railroad, comprising an important system. The entire bonded debt of the company is at the rate of less than \$38,000 per mile, while this issue is followed by bonds and stocks having a present market value of over \$29,000,000.00.

For the last fiscal year surplus after all fixed charges amounted to over \$1,600,000, against over \$1,200,000 for the previous year.

Ask for circular S-824

Guaranty Trust Company of New York

27 Nassau Street

Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000

UNKNOWN ASPECTS OF THE CHINESE REVOLUTION

At the weekly noon-day luncheon of the Chicago Association of Commerce held at the LaSalle Hotel on Wednesday of this week, Dr. Ching Chun Wang, a Chinaman distinguished in business and public life in his own country, and in America known as a brilliant scholar and man of letters, was the speaker. His subject was Unknown Aspects of the Chinese Revolution. Dr. Wang was prominent in the revolution and has since been president of the Pekin-Mukden Railway. He represented his country at the St. Louis exposition, following which he entered Yale, being graduated four year later. He then pursued special studies at the University of Illinois, securing a doctor's degree in 1911.

"THE MINOR CHORD"

Joe Mitchell Chapple, a former Illinoisan, now publisher of the National Magazine, is out with a new book entitled "The Minor Chord," a tale of the Middle West in the early '70's. Mr. Chapple went to Washington during the first McKinley administration with an ambition to become the publisher of a national magazine, but without funds to carry out his project. He was fortunate in having the acquaintance of the late Senator M. A. Hanna of Ohio, who gave him a letter of recommendation to a Boston bank, which, when presented, became his collateral for a loan, and which eventually resulted in his establishing the Chapple Publishing Company of New York, Boston and Chicago.

OCTOBER FINANCING

Railroad and industrial corporations in the United States announced new bonds, notes and stocks during October of \$203,805,000. This compares with \$68,432,000 in the corresponding period a year ago, or an increase of \$135,373,000. The fact cannot be too strongly emphasized that the totals do not make any allowance for refunding operations in any form. The railroads contributed \$45,347,000, against \$31,100,000 last year and the industries \$158,458,000, against \$37,332,000.

TENNESSEE BANK MERGER

Covington, Tenn.—The Tipton County Bank and the Farmers Union Bank, the two oldest institutions of this county, were consolidated at a joint meeting of the directorates here recently. The capitalization of the new institution, which will be known as the Tipton County Farmers Union Bank, is \$200,000. The consolidation is to take effect January 1st.

RICHMOND BANK TO ERECT BIG BANK BUILDING

Commonwealth Bank of Richmond, Va., of which W. L. Walters is president, is contemplating the erection of a fifteen-story bank and office building at 10th and Main Streets, to cost in the neighborhood of a million dollars. The building will be of concrete and steel.



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000

Deposits . . . 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

A. E. COEN RETURNS FROM WISCONSIN

A. E. Coen of the Colonial Trust and Savings Bank recently has returned from a trip to Wisconsin, where he visited Manitowoc and Two Rivers. Mr. Coen says that business is booming in that section of the state. The factories all are having trouble in securing a sufficient number of men. The difficulty is augmented by the fact that all of the houses are rented so that there is no place for new employees to live. The banks are in a prosperous and flourishing condition. Mr. Coen says that the country around Two Rivers and Manitowoc is very attractive. He was much impressed with the general orderliness of things, and particularly with the way the farms in that vicinity are kept up. He says that a general feeling of optimism prevails.

PIONEER STATE SAVINGS BANK

A new bank to be known as the Pioneer State Savings Bank will open shortly for business in Chicago. It will be located at 4016 West North Avenue in one of the most prosperous, growing, residential, business and manufacturing sections which have sprung up in Chicago in the last ten years. It will be capitalized at \$200,000 and have a surplus of \$25,000. The capital stock will be divided into 2,000 shares which are now selling at \$112.50. The banking business of Andrew H. Greenberg, with nearly a hundred thousand in deposits, probably will be taken over by the new institution. Charles S. Castle of the Standard Trust and Savings and C. C. Collins of the Union Bank are interested in the new bank, as are Andrew H. Greenberg, Albert F. Keeney, George C. Burk, Thomas Rutherford, John J. Lovett, F. William Nelles, Edward W. Trostrud, Christen Larsen, R. Y. Bradshaw, J. R. Lambrecht, R. Y. Reynerston, Fred W. Page, Fred D. Breit and William F. Tempel.

MYLES STANDISH VISITS CHICAGO

Myles Standish, a representative of the First National of Omaha, Neb., was in the financial district this week. Mr. Standish speaks with pride of the fine line of business carried by the First National. They have capital of half a million and earned surplus of a million. While deposits are twelve and one-half millions.

GROUP 5, WISCONSIN

The meeting of Group 5, Wisconsin Bankers Association, held at Fort Atkinson, October 23d, was a great success. A bright, sunny day greeted the visitors to this historic old town, which is located on the beautiful Rock River, and a general good time was indulged in by all who attended. President Samuel M. Smith, cashier of the Merchants and Savings Bank, Janesville, promptly called the meeting to order at nine o'clock, and introduced ex-Governor W. D. Hoard of Fort Atkinson, who delivered the address of welcome to the 125 bankers who were present. Governor Hoard is the publisher of Hoard's Dairyman, one of the most influential dairy papers published in the world, and it is recognized that his influence and that of his paper have been largely instrumental in building up the great dairying interests of Wisconsin, making it a leading state in this industry. Governor Hoard spoke of the appreciation of the farmers and of those interested in dairying, of the bankers' and business men's interest in agriculture and agricultural education. A witty and clever response to the address of welcome was made by J. R. Eagan, cashier of the Farmers State Bank of Darien, after which President Smith delivered his annual address. Then followed the report of Secretary and Treasurer Henry D. L. Adkins, cashier of the First National of Elkhorn. He reported 140 banks in the group

and twelve non-members. Mr. Adkins has so favorably impressed the members of Group 5 that they will not consent to have any other secretary and treasurer. Then followed the naming of the committee on resolutions and nomination of officers. One of the interesting features of the meeting was the calling of the roll of those present, who responded to the question "What subjects are of most importance at group meetings?" The two minute talks made by nearly everyone present brought forth many splendid suggestions for conducting a group meeting, and were a feature that brought better acquaintance and a more comfortable feeling for all present. W. G. Glover, associate editor of Hoard's Dairyman and a former resident of Minnesota, captured the audience with his story of the bank and the dairy. Bankers are manifesting the liveliest interest in these subjects and realize that with the campaign that is now on in Minnesota, Iowa, Illinois, Wisconsin, Indiana and Michigan relating to agricultural education and road improvement, that to maintain the reputation the state has secured through the work of its universities and especially through the agricultural colleges, the bankers must be up and doing. A rising vote of thanks was tendered Mr. Glover for his splendid address. George D. Bartlett, secretary of the Wisconsin Bankers Association, then presented his plan for a Wisconsin bankers mutual casualty insurance, after which the meeting recessed for luncheon, which was served by the ladies of the Congregational Church. Jones' little sausage and other good things were provided the bankers for dinner. The service and the dinner were admirable, and any other town in Group 5 which attempts to entertain next year will have to go some to surpass the Fort Atkinson dinner.

Immediately after dinner the delegates were taken for a complimentary automobile ride about Fort Atkinson and a visit to the dairy farm of ex-Governor W. D. Hoard. Promptly at two o'clock the meeting reconvened and Attorney J. W. Page of Elkhart presented a well-prepared paper on taxation of United States bonds held by banks. The Hon. A. E. Kuolt, commissioner of banking for Wisconsin, read a paper on the "Blue-Sky" law and recommended the enactment of such a law for Wisconsin. He told of the successful operation of the law in Kansas, and further made the suggestion that it might be possible for the state banking department of Wisconsin to

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OF PHILADELPHIA, PA.

427 CHESTNUT STREET

Capital - - - \$2,000,000.00

Surplus and Profits 1,468,000.00

Deposits - - - 15,397,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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Howard W. Lewis, President

Henry B. Bartow, Cashier

G. H. Millett, Asst. Cashier

Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier

Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000

Surplus and Profits (earned) 2,270,000

Deposits, over - - 25,500,000

OFFICERS

L. A. GODDARD, President

HENRY A. HAUGAN, Vice-President

C. EDWARD CARLSON, Asst. Cashier

HENRY S. HENSCHEN, Cashier

SAMUEL E. KNECHT, Secretary

FRANK I. PACKARD, Asst. Cashier

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work out a plan by which credit information could be furnished state and national banks of Wisconsin through the agency of the banking department. Both of these suggestions were later endorsed in resolutions adopted. Prof. W. A. Scott, director of the course in commerce, University of Wisconsin, spoke effectively on banking reform, and after his address the Hon. A. J. Frame, president of the Waukesha National and a member of Group 5, made some comments upon the proposed monetary commission plan. J. R. Wheeler, cashier of the Farmers and Merchants Union Bank, Columbus, a member of the committee on agriculture, Wisconsin Bankers Association, then reported resolutions thanking the bankers of Fort Atkinson, the press, and the ladies of the Congregational Church for their hospitality and entertainment, and the speakers who had assisted in the program. Mr. Wheeler stated that he had attended the Minneapolis conference of agriculturists and educators last August and exhibited a copy of Joe Chapman's "Farmer's Bible," recommending that each banker in Wisconsin procure a copy, familiarize himself with its contents and get its subject matter into the hands of such farmers and educators as can be induced to become interested in these subjects and the further advancement of the agricultural and educational interests of Wisconsin, telling the members of Group 5 that the members of the committee on agriculture propose to keep in touch with the agricultural college and see that the farmers and bankers are kept informed through agricultural bulletins of what is being done, when to do it and under what circumstances. Mr. Wheeler stated that W. G. Edens, secretary of the agricultural committee of the Illinois Bankers Association, was present, and upon the invitation of President Smith, Mr. Edens made a few remarks to the convention, touching upon the subjects of agricultural education and road improvement, and closing with a reference to the work of the American Institute of Banking, and of the desire of the officers and directors of that or-

ganization that the bankers in the rural and outlying districts become interested in this work, giving the young bankers and employees of the banks an opportunity to understand its courses conducted through correspondence. Mr. Edens stated that full information could be secured from Educational Director George E. Allen, 5 Nassau Street, New York City. Outside of study classes in city chapters, equally effective instruction is provided by the correspondence chapter. In correspondence instruction each student is provided with the serial lesson pamphlets and collateral exercises. The exercises in connection with each lesson are to be submitted to instructors whenever done. The work of students thus produced is corrected and returned with such criticisms as may be helpful in each case. Average students get little benefit from books alone. What most of them need is a teacher to direct and encourage them. The usefulness of a teacher is not so much to impart specific information as to stimulate the ambition and interest of students and to systematize and verify their work. The correspondence method of study lacks the inspiration of social contact, but the personal relationship established between students and instructors stimulates ambition and interest of students and the fact that all lessons must be written insures thought and thoroughness. So far as actual acquirement of knowledge is concerned, the advantages of the correspondence method of instruction fully offset its disadvantages.

Notes

Beloit and Janesville banks were well represented, and Racine and Waukesha sent good delegations. Milwaukee and Chicago had the usual quota. Everybody seemed to be happy and contented and reported good business conditions and prospects.

Fort Atkinson bankers, including the employees of the respective banks, were out in force and did everything in their power to make the visitors feel at home and have a good

time. They succeeded fully and sent their guests home with a keen appreciation of the day's outing.

Members of Group 5 are an especially modest crowd. The committee on nomination had difficulty in securing acceptances for membership on the executive committee.

H. A. Moehlenpah, cashier of the Citizens Bank, Clinton, was elected president of Group 5 for the ensuing year and Henry D. L. Adkins was re-elected secretary and treasurer. It was suggested that next year's meeting be held at Delavan and Elkhorn jointly.

J. R. Wheeler of Columbus was an enthusiastic worker; he believes there is a great opportunity for the bankers of Wisconsin to conduct an effective campaign which will be beneficial to all interests concerned, through the medium of the agricultural committee. This opinion is shared by all of the members of Group 5, who were unanimous in their endorsement of the work as outlined by Mr. Wheeler. F. E. Woodward, president of the Bank of Watertown, is one of the strong men of Group 5. He served on the committee on resolutions for this meeting. C. R. Carpenter, cashier of the Commercial and Savings Bank, Racine, expressed the opinion that in no other way could Wisconsin bankers secure such substantial benefits as through the closer acquaintance which comes from group meetings.

Young Mr. Jensen, whose father is president of the Tobacco Exchange Bank of Edgerton, feels a great interest in the work of the American Institute of Banking, and proposes to take up the work and interest other young bankers of his acquaintance in his section of Wisconsin.

Many expressions of congratulation were extended President Samuel M. Smith for the good meeting that was had and on the success of his year as chairman.

Merton R. Fish, cashier of the Footville State Bank, was an enthusiastic attendant.

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital	-	-	\$2,000,000
Surplus and Profits,			700,000
Deposits	-	-	31,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

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SAYS CREDIT SYSTEM MAY BE ENDANGERED

David R. Forgan, president of the National City Bank of Chicago, in a recent talk before the American Association of public accountants, said that unless some change is made by the banks in their present method of loaning money on unsecured promissory notes, based on a statement of his financial condition made by the borrower himself and unconfirmed, the entire credit system of the country will be endangered. As conditions exist at present, if one desires to secure a loan on real estate which he owns, the lender, before granting the request, investigates the title of the prospective borrower, his character, etc.; lawyers are employed and legal papers drawn up which must be signed by both himself and wife, all of which necessitates the consumption of much time, whereas if one desires to borrow from a bank, all that is necessary is to make a statement of one's financial condition, which, if it appear satisfactory, will enable one to borrow from the bank on his unsecured promissory note, all of which may be accomplished in a comparatively short time.

PRIVATE ORGANIZING IN MICHIGAN

A little over a year ago the private bank of Charles H. May & Co., at Clio, Mich., was re-organized into the Clio State Bank. The firm has now taken a similar step with its Birch Run business, organizing it into the Birch Run State Bank. The new bank starts out with a capital of \$20,000, under most favorable conditions and with excellent prospects. Birch Run is growing rapidly and is in the center of one of the best farming sections of the state.

The Applegate Bank of Sleeper & Nigge-

man at Applegate in the same state has been converted into a state institution with a capital of \$20,000. The officers are: Albert E. Sleeper, president; John P. Niggeman, Jr., vice-president; Walter Calkins, cashier.

The Applegate Bank was organized in 1900 by Arnot & Mark. On May 15, 1906, the business was purchased by Sleeper & Niggeman. It has been one of the most successful of Michigan's many private banking institutions.

CHICAGO FIRM SECURES CONTRACT FOR DECORATION OF BANK

W. K. Cowan & Co. of this city have been awarded the contract for furniture, fixtures and decorations for the Pontiac (Mich.) Savings Bank. When the work is completed the bank will have quarters which will compare favorably with those of any other bank in the state.

OKLAHOMA BANK CLOSES

Washington, Oct. 28th.—The First National Bank of Wilburton, Okla., closed its doors Saturday. National Bank Examiner Wilcox, in charge of the bank, telegraphed the controller of the currency that the institution was insolvent as a result of a shortage.

FOR SALE

Diebold cash safe 2x2½ by 4 feet, 4 inch alternate walls. Sargent Greenleaf time lock. Write for full description.

National Bank of Decatur, Ill.

CORN EXCHANGE RECIPE FOR SUCCESS

Vice-president Charles L. Hutchinson of the Corn Exchange National, Chicago, has issued a series of short paragraphs on "How to Succeed." Mr. Hutchinson is one of the busiest men in Chicago, having shouldered many of the burdens of conducting the Art Institute and taking a deep interest in civic welfare work. Here they are:

Intense industry, not special ability, made most of our successful men what they are.

Play is second in importance only to work. A man's recreations make or break him as surely as do his business habits.

Dissipation is a handicap to business success.

Application is what counts. Every man has it in him to work if he wants to.

Indifference is the principal cause of failure. A lack of real interest in the business keeps most men from financial success.

Successful work is that in which a man takes a pleasure.

Success does not end with the making of money. Success includes spiritual success, intellectual success, physical success.

In nine cases out of ten a man stumbles into what he is fitted for.

The small business gives the best chance to learn, and the big business gives the best opportunity to acquire millions.

The railroad presidents of to-day, with few exceptions, began at the bottom.

Evant, Tex.—The Evant State Bank has been organized with \$10,000 capital. W. C. Brooks, D. J. Townsley and T. J. Brooks are interested.



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JOHN A. McCORMICK, Vice-President		WILLIAM T. ANDERSON, Auditor

CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The gathering and the marketing of the corn crop of the state occupies the most important place in the minds of Illinois bankers aside from politics. In fact, the corn crop is of more interest to many bankers, as the large crop insures good times for the farmers and the land-owners for the coming year. The ears of corn are so large in many localities that they have been humorously referred to as fence-rails or cord-wood. With a bumper crop of corn of excellent quality following an exceptionally large crop of oats, there is every reason to believe that the state will enjoy a measure of prosperity hitherto inexperienced.

The political struggle has in many parts of the state been a keen one, yet bankers seem to have been too busy this fall to have paid very serious attention, in the most cases, to the issues which have been advanced. On the eve of one of the most exciting presidential elections in the history of the nation, the bankers, farmers and business men of Illinois are so busy with the affairs of business life that the introduction of political discussions of a partisan nature has seemed out of place and unnecessary. Most bankers have been too busy this fall to take an active part in the campaign and the majority have attended strictly to the routine of every-day business.

The prosperity of the people of Illinois has never reached before the height which it has now surmounted and bankers believe that it is too well established to be affected by party politics. A leading Illinois paper sums up the commercial and agricultural conditions in the state at the present time as follows: "Labor is employed and wages are good; live stock, wheat, corn, oats and other farm products are high; lands have increased in value and Illinois is right now in the midst of the greatest era of good times ever known, when the automobile is as common as the old one-horse shay once was and when the luxuries of life have become its necessities because of the high standard of American life."

Chicago Bankers Visit Down-state

H. W. Mahan, president of the South Side State Bank, 4259 Cottage Grove Avenue, Chicago, was down-state last week supervising his Champaign county farm, northeast of Urbana. Mr. Mahan was formerly with the First National of Urbana. His son-in-law,

Garland Stahl, of wonderful base ball fame, is a banker, too, as he is vice-president of the Washington Park National. Sixty-third Street and Evans Avenue, Chicago. "Jake" Stahl is a wonderful favorite around the Twin Cities of Champaign and Urbana, as he was formerly an athletic star at the University of Illinois in both baseball and football.

Another Chicago banker, R. H. Griffin, vice-president of the Peoples Trust and Savings Bank, has also been visiting in the University communities. He was formerly cashier of the First National of Urbana.

First National of Manhattan

Many bankers attending the Peoria convention met Edwin L. Wilson, cashier of the First National of Manhattan, a thriving village a few miles south of Joliet. The First National of Manhattan occupies a neat one-story bank building of the type which is so popular and so well adapted to country villages. Mr. Wilson is a farmer-banker, owning two good farms near his town. The capital of the bank is \$40,000 and the deposits are \$150,000. Chicago correspondents are the Corn Exchange and Drovers Deposit Nationals.

A Dangerous Custom

In many of the larger cities of the state one can see many girl cashiers of stores and offices going to banks about the middle of the afternoon to make the daily bank deposits. In altogether too many cases the girls will carry a long bank pass book with many checks and bills lying flat in the book with the ends ex-

posed and secured by an ordinary rubber band around the book. In many cases the girls have no pockets and the book must be carried in the open hand. Many men also have been noticed observing the same custom as it seems too much trouble for them to slip the book into an inside pocket and they prefer to carry it in the hand. While no trouble with thieves and "grabbers" has been reported yet the practice has become so common in Peoria that the chief of police in that city has issued an order prohibiting the custom.

Bankers generally can call attention to this custom, as there is danger of a girl being robbed, especially if she must pass an alley or other covering for a thief. Bank messengers in many cities of the state have often invited theft by displays of currency or silver.

New Bank Building at Elliott

The Bank of Elliott, in Ford county, is erecting a new bank building. W. A. Cameron is the owner and president and C. E. Cameron is the cashier. Mr. Cameron reports the best of business conditions which are reflected in the new bank building. The correspondents are the First National of Chicago and the Peoples Bank of Bloomington.

Large Crop of Broom Corn

Advices from Arcola, Mattoon, Charleston and other points in the broom corn belt are to the effect that the broom corn crop this year is

F. E. FARRELL, President
E. E. CRABTREE, Vice-President

H. H. POTTER, Cashier
M. W. OSBORNE, Assistant Cashier

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November First, Nineteen Hundred and Twelve

the best since 1899. The quality is also very good. As the Illinois acreage is comparatively small there is every reason to believe that high prices will be paid for the "brush" this year. One hundred and thirty dollars per ton has been paid this year but there is a belief that higher prices will prevail.

Shuman Prominent Democrat

Irving Shuman, cashier of the First National of Sullivan, former chairman of Group 7 of the Illinois Bankers Association and a member of its committee on agriculture and vocational education, has been in Chicago for a number of weeks at the headquarters of the Democratic national committee, aiding in the management of the western campaign of Governor Wilson. Mr. Shuman was a delegate to the Baltimore convention last summer and worked for the nomination of Governor Wilson and is now working for his election. The Sullivan banker has been prominent in local politics for some time and is now actively interested in national politics.

Mr. Shuman is an interesting farmer-banker, as he resides on a farm practically within the limits of Sullivan where he has made a specialty of dairy cattle and of Percheron horses. He has recently sold out his dairy herd. Mr. Shuman's father, Charles Shuman, is president of the First National of Sullivan and is a large land-owner in Moultrie county.

Mr. Shuman was honored at the recent grand lodge meeting of the Royal Arch Masons of Illinois, held in Chicago, by being elected Master of the Third Veil.

Illinois Notes

The penny savings system in the public schools of Kankakee is proving to be a successful venture and the school children are being taught good lessons of thrift. In a recent week the sum of \$156.36 was deposited by the pupils.

Frank Schuld, a Peoria teamster, was in the habit of secreting his savings under the floor of his barn and of frequently visiting the spot to see if his treasure was safely hidden. One morning he visited the barn about four o'clock and found the money there and later at seven o'clock it had disappeared. About \$2000 was lost, \$1500 in currency and \$500 in gold. Another example of the foolish habit of many laboring people in avoiding banks.

The city of Peoria will have its transportation facilities expanded again when the North

Western extension southward is completed. The North Western enters Peoria from the north, coming in from Sterling on the Omaha division and the line will be built southward from Peoria. Doubtless the coal fields of southern Illinois and possibly a St. Louis entrance are both desired by the North Western. The Alton, Jacksonville and Peoria trolley line is also being built and a portion of the road from Alton to Jerseyville will be opened November 15th. In eastern Illinois a trolley line from Urbana to Kankakee is under construction, a portion of the road from Urbana to Rantoul to be used this fall.

NELSON N. LAMPERT AWAY

Nelson N. Lampert, vice-president of the Fort Dearborn National of this city, has been sojourning in Excelsior Springs, Mo.

SENDS OUT DESK CLOCK

W. D. Sanders, cashier of the De Kalb (Texas) Exchange Bank, has been remembering his banking friends with a neat little desk clock commemorating the twenty-fifth anniversary of the organization of his sterling institution, which occurred on November 1st. Mr. Sanders is well and favorably known to practically everyone in Texas as well as to bankers in the larger cities, and his efficient service to the bank has been a potent factor in its growth and development.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited

Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

WOODHAVEN BANK CLOSED

The Woodhaven Bank, of Woodhaven, L. I., has been closed by Bank Superintendent Van Tuyl, who announced that it was because of doubtful loans made to real estate operators and laxity in management which was persisted in despite of repeated warnings. The quarterly report of September 9th shows total assets of \$726,528 and surplus of \$38,069. Loans aggregated \$320,161.

Superintendent Van Tuyl said: Recent investigation made by examiners under the direction of the superintendent disclosed that much of the institution's assets were questionable. Deposits aggregated about \$675,000 and the books showed cash, bond investments, and due from other banks, constituting quick assets of the institution, about 45 per cent of the aggregate of deposits. The worth of many of the loans depends upon the value of the stock of the realty companies taken as collateral.

The bank had \$25,000 capital stock, and was organized in 1891. The directors are William F. Wyckoff, Franklin H. Corwin, H. M. DeRonde, William E. Maynard, Don S. Lott, and Abram Van Siclen.

NEW STORY BY CYRUS TOWNSEND
BRADY

The novel writing parson of Kansas City, dating from St. George's Rectory, is out with a new, "true" story entitled "The West Wind." He wrote "When Blades Are Out and Love's Afield," and other famous books. In his latest romance the daughter of a Wyoming pioneer is abducted by a murderous half-breed and held among hostile Indians. A rancher friend, and her lover, Captain Kennard, in seeking and rescuing her, engage in record Indian fighting. The author assures the reader that he has known the characters and that the battles so finely described actually occurred. Everything in the book, assures the writer, is more or less true. How much "more" or how much "less," the reader must judge.

Published at \$1.35 net by A. C. McClurg & Co., Chicago.

Middle River, Minn.—The Security State Bank has been incorporated with \$10,000 capital, by Jonas Sjoborg, W. J. Brown and H. A. Thomas.



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Resigning as a director of the Commercial National Bank of Madison in order that he might remain loyal to his political trust and vote for Taft for president, Sol Levitan, a prominent merchant and capitalist of Madison, explained his reasons for so doing in a letter to President A. F. Menges of the Commercial National this week, as follows:

"Having been duly selected as candidate for presidential elector of the Republican party in Wisconsin, and there being some question as to my right to cast my vote as such should I be elected, due to the fact that I am a director in a national bank, I herewith submit my resignation from the office which I hold in the bank and request that it be immediately accepted. I need hardly say that I take this step with regret, but that the above complication has made it necessary for me to choose between personal advantage and what I feel to be one of the highest duties of citizenship."

Speaking of his personal attitude on the political situation, Mr. Levitan said: "The Republicans have carried us through to our present prosperity, our business conditions have been improved, our banks are sound, and altogether the nation was never in a more prosperous or satisfied condition. By giving President Taft another term, he will have opportunity to profit by the lessons of the past and by the experience of the present campaign."

Central Credit Commission Formed

The formation of a central credit commission

through which the value of commercial paper could be readily ascertained was the chief subject under discussion at the recent meeting of Group 5, Wisconsin Bankers Association, in Fort Atkinson. According to the proposed plans, the commission would furnish information as to the amount of commercial paper issued by manufacturing concerns and purchased by Wisconsin banks, and would provide a statement of the borrowers' credit. Action on the matter was postponed pending the outcome of State Banking Commissioner A. E. Kuolt's plans for a similar bureau in connection with the state commission, of which he advised the convention.

The enactment of the "blue sky law," intended to protect the public against the sale of stock in "wildcat" corporations, at the next session of the legislature, received the endorsement of the bankers present.

As a result of the dissatisfaction over the present rates of insurance companies, a committee was appointed to draw plans for a bankers' mutual casualty company, the report to be made probably at the next state meeting in Milwaukee next summer.

New officers elected were: President, H. A. Moelenpah, Clinton; vice-president, T. B. Caswell, Fort Atkinson; secretary, H. B. L. Adkins, Elkhorn.

Applications for Postal Savings Bonds

Applications are now being received at the Milwaukee postal savings department for

postal savings deposit bonds. Applications must be in by December 2d. Although delivery of these bonds may not be made until January or February, they will bear 2½ per cent interest from January 1st. Postal savings accounts are limited to \$500, when they may be converted into bonds.

\$2,500,000 Bond Issue

Stockholders of the Milwaukee Western Electric Railroad, Milwaukee, this week voted the issue of \$2,500,000 in bonds to build the line. The road has secured almost the entire right of way along the proposed route from Milwaukee to Fox Lake, Wis., with a spur to Waukesha.

E. J. Hughes Back from East

E. J. Hughes, assistant cashier of the First National Bank, returned this week from a three weeks' visit in New York and Atlantic City, in company with Mrs. Hughes. In New York they were entertained by several officials of the National City Bank and their wives, with whom they visited Panama, following the A. B. A. convention in New Orleans last summer.

New Bank at Waldo

The incorporation of the Waldo State Bank was approved this week by Banking Commissioner A. E. Kuolt. The bank is capitalized at \$10,000 and the incorporators are Whitman A. Barber, Eugene McIntyre and Henry W. Trimmer.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President

JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS

J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

111 Broadway
New York

88 PEARL STREET, BOSTON

405 Dorchester St., W.
Montreal

Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

PAYS PENALTY FOR DISHONESTY

Grand Rapids, Oct. 28th.—Be sure your sins (or the examiner) will find you out. John W. Sibben, assistant cashier of the First National Bank in Manistee, Mich., has confessed that for thirteen years he had been stealing from the institution to speculate in the Chicago stock market. His defalcations amount to \$44,300.

Sibben is now under arrest. President T. J. Ramsdell and G. Kitsinger and G. A. Hart of the bank have personally made good his shortage. Sibben had been known as one of the most trusted employees of the bank.

The discovery of the defalcations was made when Herbert E. Johnson, a bank examiner, called unexpectedly. He found Sibben working unusually rapidly on the books. Suspecting something wrong, Johnson seized the books. Sibben didn't wait for exposure. He went directly into the office of Vice-president George A. Dunham and there confessed. He said in thirty minutes more he could have concealed his shortage from the inspector.

Sibben found it difficult in 1896 to meet expenses. His invalid son's doctor bills made him dip into the bank funds. Then he played the Chicago stock market, won a little, went deeper and deeper, and then he plunged, later making heavy investments in worthless New Mexican mines.

Three years ago he resolved never to take any more money after narrowly escaping detection by bank examiners. Since then he had been able to manipulate the books so as to conceal the shortage.

BUSINESS GOOD IN NEBRASKA

S. H. Burnham, president of the First National of Lincoln, Neb., called on Chicago banking acquaintances this week. He says that business conditions in Nebraska are very satisfactory.

Roosevelt, Minn.—The First State Bank has been incorporated with \$10,000 capital, by Charles A. Farel, W. J. Ellis, A. E. Abel and others.

Indiana

LaFayette is one of the strong banking cities of central Indiana, the nine banks of that city having on deposit about \$11,000,000. There are five national banks in LaFayette, these being the First, Fowler, Merchants, City and American, one state bank, the Farmers and Traders, two trust companies, the LaFayette Loan and Trust Company and the Tippecanoe Loan and Trust Company and one savings bank, the LaFayette Savings Bank, although many of the other banks in the city maintain savings departments. There is also a bank, the Purdue State Bank, across the Wabash River in West LaFayette near Purdue University.

LaFayette serves as a clearing point for a wide circle of territory in central western Indiana and as its various banking institutions are organized along many different lines there are wide opportunities for banks in near-by towns and cities to find accommodations in national, savings and investment banking. LaFayette has long been a jobbing center of no small importance and there have been wholesale houses of one kind or another in the city since the Civil War. Purdue University offers educational facilities and the city has a large class of wealthy citizens.

LaFayette has not erected modern bank buildings as other cities have done recently but those who know the city well believe that when the bankers there begin the erection of new banking houses that some very modern structures will be the result. The wealth of the city and of the tributary territory means that LaFayette will continue to be one of the important clearing points of the central part of Indiana.

Indiana Prosperity

Travelers across the state of Indiana have often noticed the well constructed farm buildings which are to be seen on every hand in the central part of the state. In many ways the farm buildings of Indiana are better than those of central Illinois, inasmuch as the Indiana

farmers reside for the most part on their farms while in Illinois the farms are more often tilled by tenants.

Indiana farmers till their soil in a more diversified way, as they pay more attention to dairying, hog and beef cattle raising, clover and hay culture, while wheat, corn and oats are also raised in large quantities. However, less corn goes into the grain elevators than in Illinois as there is more of a tendency for the farmers to feed their grain directly to stock on the farms.

The roads of Indiana and the rural schools are in a high stage of perfection and bankers and farmers from other states can learn much of the conditions there which will be of value to them in their home communities. Indiana occupies a high place in the prosperity of the nation and the state will offer to the bankers and merchants a large measure of prosperity during the coming winter and spring.

State Corn Show

The annual State Corn Show, under the auspices of the Indiana Corn Growers Association, will be held at Purdue University, in connection with the Farmers Short Course, January 6 to 19, 1913. At a recent meeting of the executive committee, it was decided to increase the premium list and to make this show larger and better than any one yet held. The corn crop throughout the state gives promise of producing much high class show corn. State corn men are reporting that they are finding in the fields some excellent ears, and will compete for some of the big premiums offered at the state show.

New Bank at Huntertown

The Huntertown State Bank has been organized; capital \$25,000. The directors are Solomon Chapman, C. F. H. Dreyer, Frederick Kell, Charles H. Hartung, Amos Fitch and C. E. Dunten.

McDonalds, N. C.—The Bank of McDonalds has been chartered with a capital stock of \$25,000.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Oct. 30th.—Activities in St. Louis banking during the past week were in no wise affected by the near approach of election. Officials of local banks and trust companies say that never before has general business showed less disposition to reflect political unrest than this fall. The volume of business, as indicated by clearing-house returns and reports of individual institutions, has only fluctuated with the usual intrinsic conditions, and presidential year has had little to do with the matter at all. This, it is pointed out, would be impossible but for the general prosperous condition of the Southwest and Middle West, as slack times would give more leisure for incubating apprehension. As it is, business men and agriculturists are too much occupied with their affairs to delve much into the issues before the political world, and are sawing wood and saying little. However, the opinion prevails here that with the election out of the way, the last hindrance to commercial progress will be removed, and a real boom season is expected. Confidence, born of the enormous crops, is being more and more felt and reflected in business activities. Railroad earnings in the Southwest are developing steady gains and the October showing is expected to surpass that of September, also of the corresponding months for several years past. There is a disposition to hold back grain, and the ability of farmers to do this demonstrates that they are in a prosperous condition, as the banks are not being drawn upon to any great extent to finance storing. Cotton is also backward in sections, and while the initial movement was much heavier and earlier than anticipated, it is believed the average period of marketing will be slightly later than last season. Bankers here believe the wisdom of this holding back is exceedingly doubtful, as prospects for future supply and demand seem rather to favor lower than higher prices, especially in the matter of corn, but the fact that the producers can store without borrowing heavily is a strong commendatory upon the healthiness of their position. Specifically, the money market has undergone no material change as compared with the preceding week or ten days. Possibly there is an easier tendency, but the quotable range of rates remains stationary, and the general demand for credits is quite brisk. Deposits have augmented to some extent, and the return flow from the cotton states is cutting more of a figure. Clearings are holding up excellently, and collections, both city and country, are reported as being satisfactory in the main.

B. F. Yoakum is Optimistic

B. F. Yoakum, president of the Board of the

Frisco Railway, has just completed a three-weeks' trip over the lines of his road in Texas and Oklahoma, and he is extremely hopeful as to the prospects for business in that region. "Every section of the country is enjoying a healthy business," said Mr. Yoakum, "with excellent prospects for the future. The people are feeling cheerful over conditions, which have not been better for more than a decade." Mr. Yoakum was impressed with the fact that persons he met on his trip are beginning to appreciate the possibilities of business to arise from the opening of the Panama Canal. "As the canal will open for business within the next twelve months," said Mr. Yoakum, "all the wide-awake gulf ports are getting ready to capture the South American trade and a portion of the Pacific Coast trade. The commercial and manufacturing centers between the Rocky Mountains and the Alleghenies are realizing that this new gateway will mean much to the trade of the entire territory. The expansion of agricultural work is bringing vastly increased wealth. Under these circumstances there need be no doubt for the future of that section where 60,000,000 of our population live, and which is tributary to our gulf ports."

Indictments at Houston

Advices from Houston, Texas, state that Monta J. Moore, formerly president, G. M. Henderson, formerly vice-president and N. B. Sleight, formerly treasurer of the American Trust Company of Houston, have been indicted on charges of violating the bank laws. Six of the indictments are against Moore, who is prominent in Texas political circles. He is charged in four cases with the alleged offense of misapplying funds of a state banking and trust company, while in another he is charged with permitting an officer of the bank to knowingly become indebted to such bank. The charge against Sleight is perjury, while that against Henderson is knowingly becoming indebted to the bank while one of its officers.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

New Bank at Ravanna

A certificate of incorporation was issued this week by Bank Examiner John E. Swanger, to the Citizens Bank of Ravanna, Mo. The new institution is incorporated for fifty years, with a capital of \$12,000, divided into 120 shares of a par value of \$100. The chief stockholders and incorporators are: Thankful Satterfield, Joseph Deyoe, James Owens and Edward Weaver.

Salmon Resigns

Merritt Salmon, assistant secretary of the Mercantile Trust Company, has resigned, and will go west to recoup his health. Mr. Salmon worked up to the position he held from a small clerkship, and was considered one of the most valuable under-officers in the institution.

New Bank Organized

The latest banking enterprise in St. Louis is the Page Avenue Bank, which was organized early in the week at the offices of the Kaime Realty Company by about fifty business men in the West Page avenue district. A board of directors was chosen and authorized to apply at once for a state charter. The capital stock will be \$25,000, and the shares will be placed at \$110, so that a surplus of \$2,500 will be in the vaults to start with. The chief organizer is Sam B. Payne, formerly connected with the Wellston Trust Company, and who aided in the organization of the Hodiament Bank. The directors are: Sam B. Payne, James W. Hay, A. B. Ried, Doctor C. R. Dudley, F. W. Imholz, Paul B. Kaiser, George Pleitsch, S. Ammelmann and Harry Victor. According to Mr. Payne, the stock has all been subscribed for and officers will be elected as soon as the charter is granted.

Schaff on Mississippi Valley Board

President C. E. Schaff, of the Missouri, Kansas and Texas Railway Company, has been elected a member of the Mississippi Valley Trust Company, to succeed the late Charles Clark, one of the incorporators of that institution. Mr. Schaff assumed charge of the Missouri, Kansas and Texas Railway in St. Louis last May, coming here from the New York Central, where he served as vice-president.

Banker Killed by Auto

Jewett N. Carnes, cashier of the Farmers State Bank of Trenton, Mo., was killed in an unusual accident this week. His automobile was standing near an embankment and started to slip over. He jumped into the car and threw on the brakes, when the car turned over and fell some thirty feet, crushing him. Mr. Carnes was well known in Missouri banking.



Three Years of Progress

April 10, 1909: The first "A.B.A." Cheque issued.

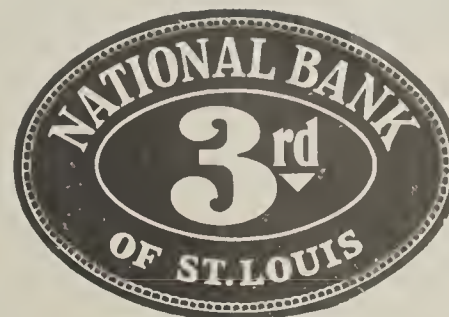
October 1, 1912: *Thousands of Banks* selling "A.B.A." Cheques, making it possible to obtain them in every important town and city of the United States and Canada, besides many cities in Great Britain, Europe, Asia, Australia, South America, West Indies, Mexico and the island possessions of the United States.

\$36,000,000 of "A.B.A." Cheques redeemed, after being negotiated by tourists at hotels, banks, ticket offices, etc., in all parts of the world.

2,321,110 Cheques of the different denominations distributed to banks.

42% Increase in Sales in 1912 over 1911.

BANKERS TRUST COMPANY, TRUSTEE
New York City



Capital
\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

Officers

C. H. HUTTIG, President

F. O. WATTS, Vice-Pres.

J. R. COOKE, Cashier

T. WRIGHT, Vice-Pres.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Vice-Pres.

H. HALL, Asst. Cash.

G. W. GALBREATH, Vice-Pres.

E. C. STUART, Asst. Cash.

The Lakeside Press

R. R. Donnelley & Sons Co.

Printers, Engravers, Binders

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Phone Harrison 350

CHICAGO, ILLINOIS

circles, and though under thirty years of age, was considered one of the rising financiers of the state.

Watonga Bank Closes Its Doors

Advices from Oklahoma City, Okla., are to the effect that the Watonga State Bank of Watonga, Okla., has closed its doors. The bank examiner has taken charge of its affairs. The cause of the failure has not been given out, and the bank examiner announces that the resources have been taken over by the Blaine County Bank, and that the liabilities would be cared for by the guaranty fund of the state. The liabilities are estimated at about \$80,000. George Jamison, state representative, is president of the defunct bank.

FORMAL OPENING OF LIVINGSTONE CHANNEL

The Livingstone Channel in the lower Detroit (Mich.) River, named in honor of William Livingstone, president of the Lake Carriers Association, which it has taken four years to construct at a cost of \$10,000,000, was formally opened on October 19th, with appropriate ceremonies, conspicuous among which was a marine parade of lake steamers headed by the steamer William Livingstone and piloted by its namesake and owner. The new channel extends for some distance out toward Lake Erie, from a point near the head of Bois Blanc Island, and in its construction forms one of the most interesting and marvelous feats of marine engineering construction of the twentieth century. Mr. Livingstone, who has taken a great interest in the inauguration and completion of the work, is one of the foremost citizens of Detroit, and has always been prominently identified with any and every civic and business event that tended toward the advancement of the welfare of Detroit. He is president of the Dime Savings Bank and an ex-president of the American Bankers Association.

MORE BANK CAPITAL FOR ALABAMA

Supt. of Banking for Alabama, A. E. Walker, has given out the following important interview:

"In compiling the statements of state banks as of Oct. 15, 1912, I am very much struck with one feature of these statements, and that is the rapidly increasing demand for more money with which to finance the enormous developments which are taking place every year in every part of the state. This is especially true of the agricultural developments of the state. So rapidly indeed have our agricultural developments increased in volume and value in the past two years, that the banks in the state are being taxed to their utmost in order to finance the crops of the state. Not only are many of the banks using all their own resources for this purpose, but they are compelled to borrow large sums of money outside of the state for the demand of their customers. Alabama needs more banking capital and cheaper money for her development. It will be impossible for the banks of the state to render further aid in this direction. Unless something is done along this line, in a few years the crops of the state cannot be properly handled and financed. The commercial organizations and other agencies can, in my opinion, engage in no better undertaking than encourage new banking capital and the influx of more money for legitimate lending. The Mortgage Company recently organized by T. E. Lovejoy in this city is a right step in this direction. Still there is an imperative demand for a much larger volume of banking capital, especially in the smaller centers of the

state. Although I have granted charters to thirty-two new banks and permitted the increase of capital stock in many others, yet there is a cry going up for more money for legitimate enterprise from all parts of the state. No investment pays a safer and surer return than bank stock in well managed banks. This is especially true of well managed country banks. Alabama should have more banking capital."

BANK SHORTAGE \$73,567

New Bedford, Mass.—Shortages aggregating \$73,567 in the funds of the New Bedford and Acushnet Co-operative banks have been found by Bank Examiner Levi, according to his testimony at the hearing of former Treasurer Edgar Lord, who was arrested six weeks ago, charged with embezzlement. The only other witness was Charles R. Price, the present treasurer of the banks.

Judge Milliken declined to reduce the bail, as the shortage testified to was nearly double the amount previously indicated. He held Lord for the Superior Court under \$25,000 bonds. The shortage, Mr. Levi said, was divided as follows: New Bedford Bank, \$23,053; Acushnet, \$50,514.

BUYS INTEREST IN OKLAHOMA BANK

George L. Browning, Ed Kirkpatrick and associates have purchased the interests of J. M. Browning in the Stockyards State Bank of Oklahoma City, Okla. George L. Browning, who has been cashier of the bank since the organization, has been elected president to succeed J. M. Browning. Mr. Kirkpatrick, formerly cashier of the First State Bank of Mill Creek, Okla., has been elected to succeed Mr. Browning as cashier. J. M. Browning, the retiring president, will move to Duncan, Okla., to enter the banking business. The splendid increase in live stock receipts at the Oklahoma City yards the last few weeks have brought considerable increase in business to the Stockyards banks.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

Editorial Comment

PRIVATES CONVERTING TO NATIONALS

Two weeks ago there was printed in THE CHICAGO BANKER a long list of Illinois private banks which had converted to state institutions, thus going under state supervision and inspection. That list has created a great deal of favorable comment as showing the natural tendency of many of the private bankers of Illinois in favor of better banking conditions in the state. Since the Peoria convention expressions have been heard on every hand indicating that there is a general movement among the private bankers to undertake the matter of securing an amended banking law. That public sentiment is also pushing in this direction is shown by the unanimous action of the Chicago city council in recommending for adoption at Springfield a draft for a new banking law, based largely upon that now in force in Indiana. The Indiana state law is not ideal by any means. It was drastic enough, however, to put seven of the eight private bankers who had opposed it as a standing committee out of business the first week after it went into operation. This was brought about by the requirements of the law compelling instant examination and publication of condition showing capital, resources and partnership interests. Even a law like that of Indiana would be a vast improvement over the present chaotic conditions which permit unprincipled persons without experience or capital to defraud the public by calling themselves a "bank."

During the period covered by the tabulated list of private banks which had converted to state institutions quite a lively conversion was going on from private to national banks. Following is a list of new national banks which took the place of private banks during the five-year period covered by the other table.

National Farmers Bank of Warren, Ill.
National Stock Yards National Bank, National Stock Yards, Ill.
Macomb National Bank, Macomb, Ill.
First National Bank of Arenzville, Ill.
Hopedale National Bank, Hopedale, Ill.
First National Bank of Gardner, Ill.
Peoples National Bank of McLeansboro, Ill.
First National Bank of Stewardson, Ill.
First National Bank of Odin, Ill.
First National Bank of Dieterich, Ill.
Farmers National Bank of Odell, Ill.
Farmers National Bank of Aledo, Ill.
Bradford National Bank of Greenville, Ill.
First National Bank of Mascoutah, Ill.
Herget National Bank of Pekin, Ill.
Farmers National Bank of Rossville, Ill.
First National Bank of Breese, Ill.
First National Bank of Trenton, Ill.
First National Bank of Mazon, Ill.

When the above list is added to that published two weeks ago in these columns it makes a very encouraging showing on the part of the private banker who is willing to come in under the law and qualify as a state or national bank. It confirms the opinion of Banking Commissioner Gill of Texas, who has re-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

ported to the legislature of that state that he believes the honest private banker has no objection to coming under state supervision, if the law requiring it is not made too radical in its provisions. Illinois private bankers are as honest as the private bankers of any other state. They also are well qualified to conduct a supervised bank. The probabilities are that they will be found as open-minded on the subject of a new banking law as the private bankers of any other state where such changes have been brought about. There is indeed a present opportunity for the leaders among the private bankers to redeem themselves absolutely and entirely from the stigma which attached in some measure to them for the vote cast at Peoria in opposition to supervision. The private bankers themselves claim that this vote did not fairly represent their convictions on that subject, but that they were opposed to the manner in which the thing had been brought up. There remains considerable time before the opening of the biennial legislature in Illinois for the preparation of a real bank supervision bill which can be agreed upon by all branches of banking in the state. All that the private bankers seem to need is a financial Moses to show them the way.

VOCATIONAL EDUCATION INTERESTS BANKERS

Much interest has been manifested by bankers and business men in the movement which has been started for vocational training for the youth of the country. It is recognized that the average student who is graduated from high school nowadays is but poorly equipped to play his part in life's battle. Too much attention is paid to theoretical education and not enough to practical things. While an intimate knowledge of Latin and Greek may add materially to one's accomplishments as a scholar, it does not as a rule enable one to earn a living by it. The vocational education plan contemplates the teaching of trades to the young men while they are in school, in order that they may receive instruction along the lines to which they are best adapted, so that when they leave school they will not have to worry much about finding a position or be compelled to accept the first thing which comes along, but having a definite purpose in view, they

will endeavor to become so located that that object may be carried into effect.

Recognizing the importance of education of this nature, the Illinois Central Railroad has adopted a plan whereby boys in its employ may attend school on alternate days. Two boys constitute a unit. While one boy is in school the other boy is in the shop working as an apprentice. This co-operative educational plan contemplates the high school using the facilities of the Illinois Central shops wherever the road has such facilities to offer. This enables the students to acquire useful and practical knowledge, and the fact that they are paid for all work done, causes them to take increased interest in their studies. In this way the nation is provided with citizens who will be factors in its progress and not detriments. The bankers of Illinois should ask other railroads and large industries to try the Illinois Central plan of co-operating with the high schools of the state for the benefit of the boys. They are the chief asset of the republic.

CHAMP CLARK AND ROOSEVELT

When one reads about Champ Clark going about the country making speeches on behalf of the democratic party and doing everything that lies within his power to bring about the election of Governor Wilson, he cannot help but contrast the generous, broad-minded acts of the speaker with those of Mr. Roosevelt. Both were candidates for the nomination for the presidency at the hands of their respective parties and both failed to accomplish their object. Mr. Clark's success or failure in securing the nomination was a matter of deep concern to him, far more so than was the colonel's. Mr. Clark realized, as did everybody else, that this is a democratic year and that to be nominated for the presidency probably would result in his election to that high office. On the other hand, Mr. Roosevelt already had had two terms as president, which ought to be enough glory for any reasonable man.

When the speaker failed to attain his end at Baltimore he did not immediately turn about and call "thief" and "robber" and seek to disrupt the party under whose standard he has fought all his political battles. He pledged his support to the party and has been working for the interests of the party and the principles for which it stands, and not for the interests of Champ Clark. The colonel, however, when he failed to secure the nomination, started a party of his own, and attempted to overthrow the party that was good enough for Lincoln and Grant, and at whose hands he has received every political office he ever has held. If Mr. Roosevelt really believed that the republican party is dominated by special privilege and the interests, one cannot help but wonder why he tried to secure a nomination



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at its hands in the first place. The colonel has allowed his personal ambition to get the better of his judgment, for he no longer can expect to receive any consideration at the hands of the republican party. Had he been content to wait until 1916, he would have been reasonably certain to be re-elected at that time, but as it now is, he cannot be elected then any more than he can be elected now. His "sour grapes" attitude has provided a convenient and effective means of getting rid of him and his "policies."

BANK OF GALESBURG

Bank of Galesburg (Ill.) with capital and surplus of \$450,000 and deposits of more than a million, recently has remodeled its building and banking room. At the opening which was held recently they had what they termed a "Children's Day," inviting all of the school children of Galesburg to call and inspect their new quarters. Each was presented with a rubber eraser and a little book entitled "The Boy From the Missouri Valley." To show that the plan was a success, it may be stated that more than 2,300 children called at the bank. The next day they gave a general opening for the public, and more than eight thousand people inspected the building and quarters at that time. A little booklet setting forth the services which the bank can render was supplied to each caller. Captain Charles C. Craig, son of the late A. M. Craig, who formerly was chief justice of the supreme court of Illinois, is the president of this sterling institution. Other officers are as follows: N. O. G. Johnson, vice-president; P. N. Granville, cashier, and C. E. Johnson, assistant cashier.

The new home of the bank is one of the finest in Illinois. Much of the planning was done by the late Judge Craig. The interior of the banking room is done in marble and bronze. The counters, wainscoting and similar fixtures are of Italian pavanazzo marble. The large vaults in the rear of the room are constructed of English vein marble and the floor is of Tennessee marble done in blocks, and a marble trimming along the edge of the floor is constructed of verdi green marble. The building in which the bank is located is the finest in the city.

CHICAGO'S VISTORS

Among the out-of-town bankers in Chicago this week were the following: A. D. Graham, vice-president Citizens National, Baltimore; A. J. Maynard, cashier Traverse City (Mich.) State Bank; F. F. McElhinney, president Blackhawk National, Waterloo, Ia. Mr. McElhinney reports prosperous conditions in his state.

MECHANICS-AMERICAN ON BUSINESS CONDITIONS

The Mechanics-American National of St. Louis sends out a very hopeful financial and news letter for November. It says that "business in the Southwest is expanding on a scale that is giving rise to an active demand for money, and banks in this territory are employing at advantageous rates whatever funds they have to lend. In the crop districts the demand for harvesting funds has been well handled, and while the total production of all crops will probably reach a larger yield than ever before, there has been no difficulty experienced in satisfying the requirements of legitimate borrowers. What is more, rates now prevailing for this accommodation are not above those usually exacted at times when the crop movement is in full swing. As compared with conditions existing a year ago, the demand now is, of course, much broader and rates are necessarily higher. But the difference between the two periods is really the difference between a state of uncertainty in trade, with more or less pessimism, and a condition of really active industry, with everybody feeling optimistic.

"The average farmer in the territory around St. Louis is probably more prosperous to-day than he has been in many years. He has received, or will receive, a very high average price for his grain, and he is in a position to pay off his mortgages or other debts, if he has them, and in addition to supply his family with many luxuries. He has been considerably sobered by the happenings of the last year or two, and he is not inclined this season to go to excess or to put all his savings into land purchases. The farmer has learned a good deal about business since the panic

period, and the experience of the last two or three years especially has impressed upon him the wisdom of building up a surplus fund, just as other business men do, for recourse to in times of emergency. More than this, and perhaps of greater importance, he has become better trained in the art of farming, with the result that he is getting more out of his land to-day than he got out of it last year or the year before. His education is likely to be progressive too, as a result of the movement undertaken by the government and by bankers organizations in various states to acquaint farmers with improved methods of land cultivation and the principles of scientific farming, which for years have been so closely studied abroad and so generally neglected in the United States. There is little doubt that as this movement progresses there will be some headway made toward reducing the cost of living in this country."

MUNICIPAL BOND COMMITTEE OF INVESTMENT BANKERS MEETS

The committee on municipal bonds of the Investment Bankers Association of America, in conference last Friday, together with invited representatives of dealers in investment bonds, discussed ways and means to organize one or more central bureaus with which to deposit certified bonds with the Investment Bankers Association of America, having endorsed on each bond the fact that the bonds are approved by certain attorneys and that the legal papers are so deposited with the central organization, the purpose of this being to broaden the general market for municipal bonds, so that any bond which has this endorsement will be good for delivery with any dealer, without requiring a certified copy of the papers and opinion to accompany the bonds. This is said to be a matter of considerable interest to investors in municipal bonds. It has often developed in the past that bond dealers have gone out of business and papers and records lost, making it exceedingly difficult to dispose of such municipal issues.

The meeting of the committee was a preliminary to the Investment Bankers Association of America convention to be held in New York November 21st and 22d, when a report for definite action will be presented to the entire membership.

PEORIA BANKER REPORTS GOOD CONDITIONS

B. M. Mead, cashier of the State Trust and Savings Bank, Peoria, Ill., who was a caller in the financial district this week, reports good business conditions in his section. He says that the banks are in a prosperous and flourishing condition.



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E. L. TAYLOR	- - - - -	Assistant Cashier
C. R. LAWS	- - - - -	Assistant Cashier

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

J. B. FORGAN INDORSES THE INSTITUTE

The distinguished president of the First National of Chicago, before a meeting of his employees, spoke very highly of the work of the A. I. B. He said:

My friends and fellow workmen: I have been asked to tell you in a few words how I regard the American Institute of Banking.

I have read with great interest your 1912 year-book, which contains in itself a striking evidence of the development of business talent in the Chicago Chapter and is certainly a credit to the executive officer or officers who got it up.

In it I find published, among others, an endorsement of the Institute, written by me some time ago, and I can add but little to what I then expressed.

As to the advantages to be derived from, and the opportunities offered by, membership in the Institute, there is certainly little to add to what is placed before you in this wonderfully compact and admirably gotten up booklet. I presume you have all read it carefully, or will have an opportunity of doing so.

If after reading it you do not at once see for yourselves the desirability, or to put it more strongly, the necessity, of belonging to the Chicago Chapter and thus put yourselves in touch with the work and objects of the Institute, you must be lacking in that ambition which alone leads to advancement in your chosen calling, and blind to your own best interests.

But right here I want to give you a word of caution. No human organization is perfect, and unless it is properly used and its object fully understood it is liable to be handicapped with some bad element. The good in it has to be taken advantage of and nurtured, while the bad should be avoided and if possible destroyed.

The advantages and opportunities offered you through membership in the Chicago Chapter of the American Institute of Banking are much greater and broader than the opportunities offered to young men in similar positions in my day; and if you are wise and want to succeed you should certainly take advantage of them.

Since I left Scotland there has been established there an Institute of Banking to which all young men entering banks now belong. Regular examinations are held annually, and those who expect success and promotion in the business are required at the end of their apprenticeship to graduate in the subjects of study prescribed. Some such system will no doubt be developed in this country as our banking system improves and the work of the American Institute of Banking develops.

In the meantime every one of you should by all means take advantage of the opportunities offered you and join the Chicago Chapter, and I hope you will do so.

The San Francisco Chapter of the American Institute of Banking gave its annual bean-bake and field day on Sunday, October 27th, on the beach near the life-saving station.

Haynesville, La.—The Citizens Bank has been organized with \$40,000 capital.

WM. READ OF NEW YORK ADDRESSES PHILADELPHIA CHAPTER

Wm. Read, assistant cashier of the National City Bank, New York City, delivered an address before the Philadelphia Chapter, A. I. B., October 18th, on the subject, "Our Relation to the Prevailing Social Unrest." Following is his address in full:

It is not necessary to direct particular attention to the fact that there does exist all over the civilized world a spirit of unrest. We are all conscious of it. It concerns us not only as citizens but as business men and bankers. I might say that it gives the banking fraternity special concern, for disturbance of any kind immediately—adversely affects commerce, of which we are the most sensitive barometer. This unrest is like a rank weed with fibrous roots, all of which find expression in the plant of discontent. From all sides we hear the complaint of high costs, of men engaged in manual pursuits demanding higher wages, of people living in lowly stations striving to live better and enjoy the privileges of the well-to-do, together with a general indulgence in extravagance, and altogether a somewhat revolutionary attitude in respect to all manner of living.

These expressions must not be confounded with legitimate ambitions, for the lack of which we or any other nation would sink into insignificance, but I have in mind the dissatisfied people who are manifesting an unreasonable uneasiness which, unless tactfully and skillfully controlled, will become unmanageable. Large undertakings must of necessity be accomplished through the medium of vast machinery. The individual parts which go to make up the complete machine are frequently unacquainted and seemingly unrelated to the functions of other parts and so it is in the social structure. There are men of varying degrees of capacity, both intellectual and physical, ranging from the utterly illiterate to the most cultured, and it is obvious that this will be so always. The civilized world, and especially that part of it in which we live, is almost racing forward in point of development. The speed we have attained to has made opportunities, some remarkable in their scope, with others in lesser degree. As a result, some men situated so as to be able to grasp advantage and with the skill to see opportunity have derived great benefits; but while some such cases stand out brilliantly, the more important fact is equally apparent that all mankind, as a result of the same development, is to-day living under more auspicious conditions than at any time in the world's history. The productions of progress cannot be restricted or confined. All men enjoy them. But we must be careful to look at this in the right way, and, while not sacrificing natural desire to excel, still refrain from nursing a feeling of bitterness against men who seem to have reaped a larger reward by reason of superior advantages. That, I believe, is what we are witnessing to-day. We all know that in our daily experiences many of the heartaches that come to every man at times, arise, not out of a true analysis of our own station in life but exist to a considerable extent by mere comparison only.

To a very large degree I believe this condi-

tion is emphasized by the tremendous strides we have made in the direction of conveniences; for instance, the ease of communication, transportation from one place to another at a great distance, the development of the telephone and telegraph, the cheapness of education and the development of an interminable variety of amusements. These things which were once difficult to obtain, and consequently highly so prized, have become so common that we are more or less regardless and unthankful, and what were formerly considered items of approaching luxury are now deemed, even by the poor, daily necessities. If all these things had been acquired in an orderly reasonable way with an unfailing sense of gratitude for these multiplied blessings, our present social difficulties would not exist, but unfortunately in many cases that is not true. Not much more than a century ago we were a nation of men by stern necessity forced to endure hardships and overcome great obstacles. The marvelous industrial progress since then has brought about remarkable changes, and huge, enormous wealth has been created; fortunes have been built up. I fear, however, that in some cases there has not yet been attained the quiet dignity and sense of responsibility to humanity that the possession of great wealth imposes. But on the other hand, men less fortunate than their brothers in actual possession, but still enjoying great benefits common to all, are manifesting a jealousy of success that asserts itself in violent expressions against the rich as such and is completely unmindful of the progress made toward the improvement of general conditions.

That is not real socialism, although sometimes mistaken for it. But it does perilously resemble anarchy and must be stamped out. Every normal man must be in sympathy with the efforts of what is generally termed the working class (although I don't like that name) to better conditions by which it is surrounded and to obtain reasonable return for effort expended. Every means to that end should be encouraged and the facilities supplied equally to all men to develop inherent qualities. But by giving equal opportunity to learn by furnishing practically free education the state has done all that it can do, and although it sometimes seems harsh and our hearts are warm in sympathy with the distressed, no human theory or plan will ever make for anything but the survival of the fittest.

The labor unions have performed marvels for working people and have become a factor in our civilization, and to their activities may be attributed the abolishment of innumerable abuses, but notwithstanding that, they are in imminent peril of losing, if they have not already lost, public sympathy by a failure to realize and accept the responsibility that must go hand in hand with power. They must appreciate, and it is our duty to force home to them in public and private utterances, that they can no longer insist on recognition as organizations and enter into contracts and expect the other party to be held accountable for violations unless they too accept the same conditions and put themselves into a position of accountability by incorporation. I am convinced that if the several states enacted laws requir-

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ing the incorporation of labor unions the number of unfortunate disputes between labor and capital would be very much reduced and the unions would thereafter be inclined to govern themselves by the advice of their own best thinkers. I believe it is the duty of every citizen to strive to bring about this condition, and the sooner that organized labor comprehends the wisdom of it the sooner it will regain popular approval, and the assistance of every just man in the attainment of all worthy purposes.

But the causes of this unrest are not by any means one-sided. There is another point of view, and some abuses which exist and are practiced by employers of large numbers of men and women have their share in the responsibility for this unrestful spirit which prevails. From time immemorial the cry of oppression has rung out over the world. From the very beginning of human history until this day it has never altogether ceased. But happily the occasion for it has been steadily diminishing and what exists in our time is the endeavor to refine the science or art of living and does not arise from any monstrous conditions such as did exist a few centuries ago. But this very endeavor to refine the art of living creates a situation almost as acute as prevailed in former times because men have grown into a fuller realization of the meaning of the word liberty and will not submit to what they think is oppression. Sometimes I feel that we have reached a point where that very liberty is overdone and abused, but, notwithstanding, the tendency of the times when redress is sought for wrongs is to resort to the power of public opinion which finds expression in the ballot, rather than in violence and bloodshed. However, it would be a case of self deception to think that absolute security results therefrom,

for if in the days to come the voters of the country should be aroused by the cunning argument of wily office-seekers by appeals to the emotions and passions the result, while not necessarily violent in its attainment, might be fraught with grave peril to our established institutions. So it behooves the employers of large numbers of men and women, the producers of large quantities of goods, to deal justly at all times and thus fortify themselves against any righteous complaint, for only by this means will the vast numbers of workers be satisfied.

But what has all this to do with us? Just what I touched on a few moments ago. Disturbance, unrest, agitation find immediate reflection in business and we live on business. I think sometimes we adopt a wrong standpoint in regard to business. The relation between commerce and banking is so intimate that it has become almost impossible to distinguish the difference, but we must never lose sight of the fact that commerce must be before we begin to operate so that every item which touches commercial welfare vitally affects us and immediately. When, for instance, the manufacturer sends out his salesmen covering the whole land and they find a general reluctance on the part of their regular customers to take on the usual line because there is an undefined feeling of caution prompted by their unrestfulness the effect is immediately shown in a falling off in banking activity and we are enveloped in dull times and no section of the country is exempt from the consequent depression.

If this feeling continues to grow and a sufficient number of voters are persuaded to adopt radical political theories, we will finally be represented in our several legislatures by the

most incompetent part of our citizenship. There would certainly be a reconstruction of the political situation. Men who represent, or adopt as expedient, the cause of the unrestful will appeal with increasing cunning and success to the emotions of the multitude with the result that what we have hitherto called conservatism, that is "looking before you leap," will be overcome and we will enter into a period of experimentation resembling real socialism, which I believe will be most unfortunate. If that proves to be the case there will be, besides the depression preliminary to all re-adjustments, the eventual failure of the whole socialistic scheme. This will make for still more re-adjustment and prostration of business during that period.

But I am naturally hopeful. I believe in unbounded possibilities for our country. We are undoubtedly passing through a difficult period, but if we are brave to meet it and have the courage to settle it right, the prosperity which is hovering over us and only waiting for an opportunity will sweep over the land and every one from top to bottom of the social structure will take part in the resulting benefits. Let us see what we have found. A condition of unrest exists,—in some cases undefined but real nevertheless. It is shown in the shifting of political lines, loud complaints about the cost of necessities, disputes between labor and capital and occasionally by attempts at assassination. We have seen that by virtue of our very youth as a nation unusual opportunities have been presented and some men have become very wealthy; but all men, including the stranger who has just landed on our shores, are living, or have the privilege of living, infinitely better than their forefathers; that the

(Continued on page 21)

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

As a result of a recent inspection of the properties of the Kansas City, Mexico & Orient Railway Company by a representative of the London stockholders, the financial difficulties of that corporation seem in a fair way to be eliminated, for the time being at least. Cecil Braithwaite, head of the committee of the London stockholders and the active partner of Foster & Braithwaite, with Frederick Hurdle and Phillip D. Tucket, London capitalists, returned last Monday from a trip over the Orient lines and they are enthusiastic over the prospect for the development of the road. London is to hear a rosy report of the situation and it is understood that \$15,000,000 will be put into the road just as soon as the favorable report is made which, Mr. Braithwaite says, will be the day he reaches London. The fact that the road has been making money under the receivership is taken as an encouraging factor. The committee will report the entire feasibility of connecting all the gaps between Kansas City and Topolobampo, thus saving a haul of several hundred miles for transcontinental freight destined for the Orient, and vice versa. No light was thrown upon the Orient situation in Mexico by the inspection trip, which ended at the Mexican frontier. The English interests propose to complete the Mexican link, but say that it must wait until guerrilla warfare has ceased and construction work can be done with some assurance that it will not be immediately destroyed.

Kansas City Visitors

Haley Fiske, vice-president, and Walter Strabler, comptroller of the Metropolitan Life Insurance Company of New York, were guests of Kansas City financiers several days last week and the presidents of fourteen local banks gave a luncheon to the visitors at the Mid-Day Club last Monday. While in Kansas City Mr. Fiske approved loans on several Kansas City buildings, amounting to about two million dollars. Another important visitor to Kansas City recently was Samuel McRoberts, vice-president of the National City Bank of New York. Mr. McRoberts was on his way East after having attended the funeral of his father in Malta Bend, Mo., the old family home. Mr. McRoberts is well acquainted with Kansas City, having been chairman of the board of the Metropolitan Street Railway Company and director in several other important local enterprises.

Death of H. B. Miller of Osage City

Bankers and business men all over the Central West have been saddened by the recent death of H. B. Miller of Osage City, Kan., a pioneer banker and cattle man who was al-

ways credited with "knowing everybody west of the Missouri river." Mr. Miller was an exceedingly popular man, of a genial nature, and his high personal character is attested by the fact that he had been urged to run for governor of Kansas many times, but always declined to enter the race. Mr. Miller was born in Cuyahoga county, Ohio, in 1848, and his early life was spent on a farm. At sixteen years of age he enlisted in the northern army and after the war he went to Kansas, locating at Osage City. He engaged in the mercantile business, but saw the necessity for a bank in his home town and founded the Osage County Bank, of which he retained the presidency for more than thirty years. His ranch in Osage county contains about 15,000 acres.

Group 5, Missouri, Meets at Lexington

Group 5 of the Missouri Bankers Association, composed of Lafayette, Johnson, Saline, Pettis, Benton, Cooper and Howard counties, held its annual meeting last week at Lexington, Mo. W. C. Gordon, president of the Farmers Savings Bank of Marshall, and William Hurd, editor of the Missouri Farmer, gave interesting talks on the agricultural phases of banking. These officers were elected: Chairman, C. F. Gilchrist, of the Bank of Leeton; secretary, F. A. Hoefer, of the Commercial Bank, Lexington. On Tuesday, Oct. 29th, Group 11 of the Missouri Association met at Springfield. Two hundred bankers attended the latter meeting and were given a generous reception by local bankers. An interesting program was carried out and the social features were elaborate and most enjoyable.

Placed in Hands of Receiver

The Iola Portland Cement Company, capitalized at \$1,000,000, was placed under a receivership by the federal court last week and almost immediately was given over to the bondholders represented by F. R. Bissell of St. Louis as trustee. The change means that the bondholders have entire charge of the plant and that the stockholders are entirely out of it. The Iola Portland company was the first plant in that field, and early in its history accumulated a surplus of \$1,000,000. But the price of cement went down and the cost of production went up and the company's assets were wiped out. It is understood that the bonds of the company were held largely by capitalists interested in the Bank of Commerce of St. Louis, but that the cement securities were charged off the bank's books some time ago and are no longer listed among the bank's assets. The foreclosure of this concern marks a further decline in the general cement business of the Southwest, which for a time flour-

ished and offered a very attractive field for investment. A number of other big cement concerns are struggling along in the hope of weathering the financial gale and there is really sound reason for believing that the cement business will yet work out profitably. It is reported that the Iola Portland Company will be operated by the trustee.

St. Joseph Commerce Club Takes Trip

The St. Joseph, Mo., Commerce Club spent several days of last week on a "getting acquainted" trip along the northern connection of the Burlington line into Iowa. More than one hundred representative business men of St. Joseph made up the party, and at every stop there was a reception. The St. Joseph bankers who represented that city's financial interests were: R. T. Forbes, of the First National Bank; J. W. Broadus, of the German-American National; J. A. Greenfield, Jr., of the Stockyards Bank; E. L. Hart, Jr., Bank of North St. Joseph; B. R. D. Lacy, of the Tootle-Lemon National; Walter McLucas of the First National and George A. Nelson of the Burnes National.

Wichita Banker Vindicated

One of the strangest criminal cases in the history of Kansas came to an ending last week with the reversal of a verdict in the United States circuit court at Wichita and a final dismissal of the charge against Levi S. Naftzger, formerly president of the Fourth National of Wichita, of buying and selling stolen postage stamps. It seems almost incredible that a man of Mr. Naftzger's wealth and business and social standing should have been indicted as an accomplice of a gang of postoffice and bank robbers, but that was the charge made against him and upon which he was convicted in March, 1911. Mr. Naftzger had lived in Wichita for many years and was prominent in all the affairs of that city. His family occupied a high social position and Mr. Naftzger was at the head of one of the largest financial institutions of southern Kansas. No shadow of suspicion had ever fallen upon this man. Two years ago John Callahan, the leader of a gang of bold robbers, was caught, and he implicated Frank S. Burt, then chief of police of Wichita, in a series of criminal operations. Burt confessed, and in turn testified that he was the go-between and that he transferred large quantities of stolen postage stamps from Callahan to Naftzger. The people of Wichita were astounded at this revelation, and the testimony was so substantial that it caused the conviction of the banker, who was sentenced to pay a fine and serve five years in the federal prison. An appeal was taken which resulted as stated, in acquittal. Mr. Naftzger is now an

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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aged man and the charge against him has caused a physical breakdown.

State Bank of Omaha Ready for Business

By the filing of incorporation papers with the Nebraska department of banking, the State Bank of Omaha completed its organization last week and is now ready for business. The capital stock is placed at \$300,000, divided into 3,000 shares, the shareholders numbering 238. The largest stockholders are H. W. Huttig, Albert L. Schantz, P. Maginnis and L. J. Svoboda. The directors of the new bank are Albert L. Schantz, Ellery W. Westerfield, I. W. Harris, Albert S. White, J. Q. McPherrin, Arthur Hoover, F. A. High, J. L. Svoboda and John D. Ware. The officers will be: President, Albert L. Schantz; vice-president, Albert S. White, and cashier, J. L. Svoboda.

Central West Notes

Andrew C. Jobes, vice-president of the First National of Kansas City, was re-elected director of the Atchison, Topeka and Santa Fe Railway Company at the seventeenth annual meeting of the stockholders in Topeka, Oct. 25th. The other directors who were re-elected for a four-year term are: Edwin J. Berwind of New York, John G. McCullough of Vermont and Henry C. Frick of Pittsburgh. Sixty per cent of the 2,800,000 shares of the company were represented at the meeting and President Ripley announced that the company has 31,000 stockholders, a gain of 3,000 over last year. Charles S. Gleed, vice-president of the Pioneer Trust Company of Kansas City, is also a director.

The First National Bank of Wilburton, Okla., failed to open its doors Friday morning of last week and National Bank Examiner Wilcox took charge. The bank carried \$106,000 in deposits and was capitalized at \$25,000. It is believed that the bank will reopen.

Ward Speelman, who was sent to prison for embezzling the funds of the Merchants National of Topeka, has petitioned for a parole.

The First State Bank of Hewitt, Tex., has been incorporated with a capital of \$10,000. The stock is owned by W. W. Woodson, John F. Wright and W. H. McCullough, all bankers of Waco.

L. K. Roberts of Dallas, Tex., has become chief clerk in the Texas department of banking, to take the place of R. E. Chambers, who has resigned to become assistant cashier of the Citizens Bank and Trust Company of Austin.

William L. McKee, a representative of the Fort Dearborn National Bank of Chicago, who has been attending group meetings in Missouri, was obliged to return to Chicago on an urgent summons last week.

The Brazos Banking Company of Waco, Tex., has been organized with a small capital.

The following reserve agents have been approved by the Texas department of banking: For the First State of Crawford, the First National of Waco; for the Farmers State of Italy, the Central Texas Exchange National of Waco; for the Continental State of Groesbeck, the First State of Kosse; for the Sandia State of Sandia, the First National of Houston and the Guaranty State Bank and Trust Company of Dallas; for the First State of Lillian, the Citizens National of Waxahachie;

for the Guaranty State of Gause, the National Bank of Commerce of Houston; for the Ben Arnold State of Ben Arnold, the First National of Waco; for the Hebron State of Hebron, the First State of Dallas; for the First State of Slaton, the Drovers National of Kansas City; for the Bluffdale State of Bluffdale, the First National of Fort Worth; for the First State of Stratford, the Guaranty State Bank and Trust Company of Dallas; for the First State of McAllen, the National Bank of Commerce, Houston, and for the First State of Harleton, the City National of Dallas.

The following out-of-town visitors were in Kansas City's financial district last week: C. D. Sample, vice-president of the Citizens National of Fort Scott, Kan.; W. C. Harris, president of the Calloway State, Fulton, Mo.; D. H. Harrison, president of the State Bank of Downs, Kan.; H. B. Ernest, president of the First National, Eufaula, Okla.; W. J. Bailey, president of the Exchange National of Atchison, Kan.; A. F. Crowling, president, and U. S. Stone, cashier, of the First State of Stonewall, Okla.; Joseph Wren, cashier of the Avant State, Avant, Okla.; H. G. West, cashier of the Home State, Junction City, Kan.; W. E. Brown, cashier of the George W. Brown & Sons State Bank, Augusta, Kan.; R. W. Cates, cashier of the First National of Independence, Kan., and W. W. Trimmer, assistant cashier of the Continental National of Salt Lake City.

DIRECTORS SUED FOR NEGLIGENCE

D. A. Garfield, receiver of the defunct Albion (Mich.) National Bank, has sued the directors of the First National of that place, which was the predecessor of the insolvent institution. The suit is for the recovery of \$2,000 on certain accommodation notes given the First National and is the outcome of an action originally started against M. D. Weeks, a director of the First National, whose defense was that the notes were outlawed. The court decided in the defendant's favor, and as a result thereof the receiver has instituted a pro-

ceeding against the directors for negligence in not properly safeguarding the interests of the depositors of the bank.

WM. READ ADDRESSES PHILADELPHIA CHAPTER

(Continued from page 19)

laboring class by concerted, but not corporate, effort, is exerting a wonderful influence on affairs, but by failure to accept corporate responsibility is in danger of widening the breach between classes of men, and creating an acute situation; that it is the duty of every good citizen for patriotic, as well as expedient, reasons, to strive to correct that condition; that men of large means must realize the obligations they are under to humanity and that on the wise adjustment of these several elements depends our own destiny as bankers.

Men engaged in professional life are usually looked upon as expressing the best intelligence in the land. Physicians and lawyers are necessarily specialists. One of the noblest professions in the world, which probably has a more profound influence than any other on public opinion, is represented on this platform tonight in the person of Professor Herrick. As to the banker, he must know his own business well and other people's too, and therefore it becomes our duty more than anyone's to foresee the trend of events and to use every device and argument to guide public opinion into wise channels in regard to this tremendously important matter, and I commend it to your serious consideration.

CINCINNATI CHAPTER

Cincinnati, O.—The Cincinnati Chapter of the American Institute of Bank Clerks has issued a challenge to the Pittsburgh bank clerks for a joint debate on the currency question. The local chapter's debating team also will be sent to Chicago in a few months to try conclusions with the Chicago clerks. T. J. Geisler, secretary of the Central Trust Company, will discuss "Investments" at the meeting of the chapter to be held in the parlors of the Union Trust Company, Tuesday evening. On the evening of November 12th, George B. Mundy will discuss "The Claim in the Attorney's Hands," and A. C. Smith, "The Receiving Teller," while on November 19th, Henry J. Mergler will talk on "The Science of Finance."

IOWA BANKER MAKES OWN ELECTRICITY

Joseph Samuels, president of the Nishna Valley Bank of Riverton, Iowa, employs a Burroughs electric-drive bookkeeping machine in his bank and operates it by electricity made in his own plant. Riverton has a total population of only 583 inhabitants and does not boast either a city water plant or electric lighting station. Mr. Samuels has an up-to-date little bank. He lights it with electricity which he manufactures at his home several blocks away. He uses a gasoline engine connected to a 134 horse power dynamo. He runs this for several hours every day storing up enough electricity to light up his bank and his home, and to run his adding machine.

Madison, Tenn.—The Madison Banking Co. is a new institution with C. E. Doolittle as cashier.

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"Uncle Sam's Route"

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Sir Edmund Walker, on his way from Winnipeg to his home in Toronto, stopped in Minneapolis, viewed some of the "Made in Minneapolis" week exhibits on the principal retail streets, and studied the famous T. B. Walker art gallery. He said that Minneapolis looks better to him every time he comes. "I saw here to-day," he said, "what I believe to be the finest art collection in the world. It is very beautiful and Minneapolis is to be congratulated upon having it. Canada is very prosperous and so is this country. I am keeping away from business while here and am having a good time just looking around." In the party were John Aird, Toronto, assistant manager of the Canadian Bank of Commerce; C. W. Rowley, manager at Winnipeg; R. A. Rumsey, inspector; Frank Patton, manager at Winnipeg for the Dominion Bank; F. L. Hankey, vice-president Northern Trust Company, Chicago. George F. Orde, vice-president of the First National, entertained at luncheon at the Minneapolis Club. F. A. Chamberlain and E. W. Decker were bankers present.

Hill Buys First National at St. Paul

Definite announcement was made by the St. Paul papers Wednesday that James J. Hill had bought the First National of that city. The directors, it is said, have agreed to accept the offer of less than \$350 a share. One hundred and seventy-five stockholders will have to be consulted to close the deal. The officers of the bank are given as authority for the report. E. H. Bailey, president of the First, is slated to head the combination of the Second and First Nationals.

Bankers Quoted in Taft Advertisement

Bank men are quoted in a page advertisement for President Taft in local papers. F. M. Prince, president of the First National, said in part: "The country needs Mr. Taft. I think his re-election will be for the best interests of the business man, the merchant,

farmer and the laboring man. Mr. Taft's record entitles him to re-election."

Joseph Chapman, vice-president Northwestern National: "We know that under the Taft administration there will be no tinkering with our fundamental laws. With either of the other candidates seeking the presidency we will be experimenting."

J. S. Pomeroy, cashier Security National: "I think it is to the best interest of this country to continue Mr. Taft as president. Mr. Wilson is to be preferred to Mr. Roosevelt. The election of Mr. Roosevelt would be a dangerous thing for this country. I believe the election of Mr. Taft would help continue present prosperity."

Otto Naegle, vice-president Metropolitan National: "I regard Mr. Taft as the logical candidate to succeed himself, in the interests of America and for the best interests of the American people."

W. F. Decker, vice-president St. Anthony Falls Bank: "Taft stock seems to be looking up and I feel hopeful that he will be re-elected."

Merchants National Opens Savings Department

The Merchants National has opened a savings department. President Kenneth Clark and Vice-president G. H. Prince said the advisability of the move had been considered a long time and recent developments in banking circles have had nothing to do with it. Mr. Prince has been investigating the best savings banks with the new move in view. Three per cent will be paid on deposits.

Attend Wisconsin Group Meeting

A. V. Ostrom, cashier of the Northwestern National, and P. G. Leeman, assistant cashier of the First National, attended the Group 5 meeting of Wisconsin bankers at Fort Atkinson.

Information Department Popular

This story is told: The information gentle-

man in the new coop the Northwestern National has established in the center of the bank floor is there to answer questions. This week two women, dressed to know better, asked whereabouts in the bank to stow an angora kitten they brought with them through the winter for safekeeping while they are in California. By mistake they picked out Joseph Chapman, vice-president, as the information man. He told them the safety deposit vaults are all full, failing to particularize.

West in Thriving Condition

Formerly unproductive valleys have been found growing wheat, by President F. A. Chamberlain of the Security National on a western trip. He said it is plain that Montana farmers are taking advantage of advanced farming methods, and are realizing heavily on their toil. He said also that Seattle, Portland and Vancouver are thriving cities. There is no further sign of apathy in Seattle.

Cotton from South Carolina on Exhibition

Robert I. Woodside, president of the Farmers and Mechanics Bank of Greenville, S. C., who attended the conference in Minneapolis in August of the bankers' committees on agricultural development and education, and who then said that South Carolina is a fine state and that he would send Minneapolis something to prove it, has forwarded samples of cotton in the boll, lint cotton, cottonseed oil and cotton seed meal, which are on exhibition at the Northwestern National Bank.

Going In for Athletics

Teams of fifteen members each from the clerical list of the Security National and the First National Banks have started contests in the Y. M. C. A. gymnasium. Baseball for indoors, basket ball and swimming count for points.

Promoting New Project

A. D. Stephens, Crookston banker, and others are interested in an electrical power

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furnishing plant which it is proposed to construct on 3,000 acres of land abutting the Red Lake river in Minnesota. N. F. Hawley, treasurer of the Farmers and Mechanics Bank, Minneapolis, with W. G. Northup, a trustee, looked over the property last week. It is said that these men will see that the company is furnished with \$200,000 to construct a dam to develop 5,000 horse power.

New Bank at Westport

The State Bank of Westport, Minn., is authorized with \$10,000 capital. C. M. Sprague is president and Louis Sittko is cashier. The Farmers' State of Currie, Minn., has incorporated with \$20,000 capital. Incorporators are Theodore Zimmerman, G. A. Dummett, C. M. Hanson, of Sanborn, Iowa; Henry Paal, F. G. Meyer, James McCormick, John Donnelly, Simon Tostengard, H. Hanson, Edward Berreau, Jane C. Gates, T. I. Pierre, Rogers Hassett, of Currie; John I. Holum, Tracy.

Bank to be Reorganized

Along lines suggested by the state superintendent of banks it is expected the State Bank of Commerce, Winnebago, Minn., will be reorganized. Depositors are expected to get the greater part of their money. Efforts are being made to identify a man arrested in Sacramento, Calif., as H. W. Parker, missing vice-president. It is said the man has between \$25,000 and \$30,000 on deposit in Los Angeles banks.

Another Bank for Grand Forks

The Farmers and Mechanics Savings of Grand Forks, N. D., has been announced as organized with \$50,000 capital. W. E. Fuller, formerly with the Union National, is to be treasurer. The bank is organized under the savings law of 1911, and is the second of its kind in the state. Stockholders include A. L. Nelson, Ada, Minn.; Hugh Reid, O. S. Hanson, F. L. Goodman, J. H. Vold, C. H. Nelson and George Veitch.

Attend Canadian Bank Opening

Among the Minneapolis men at the opening of the new Canadian Bank of Commerce building at Winnipeg were: President F. M. Prince, First National; President F. A. Chamberlain, Security National; Vice-president F. E. Kenaston, South Side State; Vice-president G. F. Orde, First National.

Gives \$70,000 for Manual Training School

F. P. Hixon, La Crosse, Wis., director in the Security National, Minneapolis, has increased by \$20,000 his gift of \$70,000 to the La Crosse school board to add a manual training school to the high school. This provides a more expensive structure.

Caledonia State Chartered

A new bank has been chartered at Caledonia, Minn., the Caledonia State, at \$25,000 capital.

Ramsey County Funds

Thirteen bids by as many banks for deposit of Ramsey county funds were at once rejected by the board of auditors at St. Paul as offering only 1½ per cent interest on monthly balances.

Bids of four banks offering 2 per cent were accepted: First State of North St. Paul, Capital Trust, Snelling State and First State of New Brighton. Another advertisement has been issued for bids to be opened Nov. 12th.

Bank Building Destroyed by Fire

The First National Bank building at Casselton, N. D., occupied by the bank and other tenants, has been destroyed in a \$40,000 fire. President R. C. Kettel, owner of the building, will put up a fire-proof building to replace it.

NEW BOOKS FOR FALL READING

John Lane & Co., New York, has issued a story by F. E. Mills Young entitled "Grit Ellis." Mr. Young is the author of a number of very successful novels. This latest offering is a story of South Africa, where, as in all new countries, men may go to retrieve the mistakes and the sins of their past lives. Such a man is Grit Lawless, cashiered from the army for cowardice, but redeeming himself afterward by his cool courage and grit. He undertakes to recover some incriminating papers for the English colonel, and does so eventually, after many dangers and failures. His wife, separated from him by eight years of silence and misunderstanding, has followed him to Cape Town. They meet, and the struggle is, on her part, to draw him back to an honorable life, and on his, to resist her efforts through pride and stubbornness. His final success in fulfilling his dangerous mission brings him near death, and she nurses him back to health and reconciliation.

"The Secret of the Clan," a story for girls, is by Alice Brown, illustrated by Sarah K. Smith. Imagine four girls of fifteen or thereabouts, a delightful grandmother with whom they live and who believes that young people should have some secrets and do things their own way, a governess who knows how to dance and how to get up amateur plays, an uncle who wants to appear gruff, but in reality loves the "imps," as he calls his nieces, and you have the fundamentals out of which Miss Brown's wholly absorbing story is built. The secret which the girls have and to which, following the custom of their improvised Indian tribe, they do not admit their grandmother, is the cause of all the trouble and it threatens to be serious trouble for a time. But it comes out happily in the end for every one concerned, particularly for Uncle Terry and the governess. Macmillan Company, New York, publishers.

"The Gulf Between" is from the press of the John C. Winston Co., Philadelphia, and is the dramatic revelation, by one "on the inside," of the married life of a beautiful American girl and an Italian nobleman. With fidelity to both American and Italian character, and with great dramatic power, the story depicts the girl's unrest—her jealousy—the counter-suspicion—the duel—rebellion—flight—and the final heart-driven awakening. One of the strongest novels of the year—a book everyone will read and talk about. This book will help create a better understanding among Ameri-

can girls as to what awaits them when they marry "foreign lords," even under fairly average circumstances.

Among recent works of fiction few possess the enchanting atmosphere which is present in J. E. Buckrose's "A Bachelor's Comedy," even before the close of the first chapter. Succeeding chapters do not belie this early promise of enjoyment, with the result that the last page is read with regret that there cannot be a second fruition of the comedy mingled with thankfulness that the book has come one's way. The Bachelor, filled with the enthusiasm of twenty-five to make his life count materially in the uplift of the world, was appointed vicar of a quiet English village. He was a gentle, timid soul, fearful of causing pain to another, and fortunately his lines were cast among kindly folk. Else there might never have been the story of his love. Published by George H. Doran & Co., New York.

GEORGE BARR McCUTCHEON'S NEW STORY

"The Hollow of Her Hand," is the title of George Barr McCutcheon's latest novel, published by Dodd, Mead & Co., New York. The mystery story seems to capture every one sooner or later, and now this popular writer, having exhausted the imaginary kingdoms in Europe supplied with beautiful princesses, is the latest addition to the ranks of mystery writers. It is not an out-and-out detective story, or rather it is a detective story turned wrong side out, and instead of being obliged to follow up the trail we are in the secret and watch the rest of the world on the scent. Further, Mr. McCutcheon has conjured up the unique idea of having the widow of the murdered man rescue and protect the girl who struck the fatal blow. Out of this terrible coil grow, of course, many episodes and circumstances of dramatic value. Morally guiltless though Hetty Castleton may be, she still has committed murder; Booth's attitude toward her savors of the melodramatic. The revenge planned by Sara for her husband's family perhaps may be natural, but it is nevertheless repellent. And yet, somehow, the tale, throughout tensely effective, now and then intentionally scathing, takes firm hold of the heart strings, surpassing, thereby, certain of its highly successful predecessors frankly addressed to the mere emotions. And the end brings happiness.

PRIVATE BANK FAILS

"Gladstone (Mich.) Delta," in discussing the recent failure of the private bank of D. Hammel and Son of that place, makes the statement that the institution has been insolvent for years and that "its owner has been living upon receipts and not upon profits." Assets of the defunct bank amount to \$55,000, of which \$40,000 is real estate; liabilities total \$180,782.

Cook, Minn.—The First State Bank has been organized with L. F. Luthey, president; J. L. Owens, vice-president. C. H. Alcock, cashier, and L. M. Burghardt, assistant cashier.

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Los Angeles

A state-wide campaign was launched yesterday by the Los Angeles Realty Board against stock-selling corporations which fleece the public through the lure of advertisements promising the investors huge profits. The first step in the campaign will be the investigation of certain concerns in southern California, and plans were perfected this week for the prosecution of fraudulent companies. The real estate boards of San Francisco, Oakland, Sacramento, San Jose and other cities have signified their intention of co-operating.

Merchants National to Have New Home

Among the great building projects assured for the coming year is that of the new home of the Merchants National Bank on the northeast corner of Sixth and Spring Streets. Plans for the structure, which will be twelve stories in height, have just been completed and work of construction will begin immediately after the opening of 1913. It is the intention of those behind the project—and at the head of which are William H. Holliday and Marco H. Hellman, president and vice-president, respectively, of the Merchants National—to make a new record in skyscraper construction; and it is their confident expectation that within a year after ground is broken for the new building, the Merchants National will be installed in one of the largest and handsomest banking rooms in the world.

Bakersfield.—Geo. M. Mitchell, deputy of the state banking department in charge of the affairs of the defunct Kern Valley Bank, is quoted as saying that two more dividends of 10 per cent each will be made possible by the sale of bank property and other assets. This will leave only the Sunset Road Oil bonds and the proposed suit against the stockholders as possible sources of dividends to the depositors.

A branch of the Ocean Park Bank will be established in Venice, and will be opened Nov. 1st. It will be in charge of W. O. Bender, present cashier of the Ocean Park Bank. There is but one bank in Venice at present.

Bakersfield.—The merger of the Bank of Bakersfield into the Security Trust Co., through the purchase of the assets of the merged bank by the trust company, became effective Oct. 21st, when the consolidated banks opened for business in the quarters of the trust company. The aggregate assets are \$2,909,829.90, and the deposits \$2,554,109.61. The capital is \$300,000. The officers are: President, G. J. Plantz; vice-presidents, H. R. Peacock, Dave Hirshfeld and D. L. Brown; secretary, J. A. Hughes; cashier, W. V. Matlack; assistant cashiers, E. B. Duncan and C. Wible.

BANK TO LIQUIDATE

Upon the decision of the directors and stockholders, the First State Bank, Middlesboro, Ky., has gone into liquidation and has been placed in the hands of the Kentucky Banking Commission. All depositors were paid off, and the stockholders will receive about 70 per cent. On account of some business failures in the last few months the bank had lost heavily, and rather than assess the stockholders for the amount of the loss decided to quit business.

NEW TEXAS BANK

The Guaranty State Bank of Mount Selman, Texas, is organizing with a capital stock of \$10,000. C. T. Burton is president and H. W. Ferguson, cashier. J. S. Brock is vice-president, with the following named directors: Hood Melton, C. P. Linder, Johnnie Gardner, T. L. Wade, Dr. J. N. Bone, R. R. Warren, J. B. Rowe and J. G. Malcome. A new building is to be erected and the bank will open at an early date for business.

This makes two new banks recently organized in this county, the other bank being the Farmers State Bank and Trust Company of this place, with a capital stock of \$50,000.

San Francisco

The San Francisco Chamber of Commerce special train carrying 100 representative San Francisco business men on a trade extension excursion to the northern counties, last Thursday visited the cities of Petaluma, Penn Grove, Glen Ellen, Kenwood, Sonoma and Napa, making a two-hour stop at Petaluma, an hour's stop at Sonoma and spending the evening at Napa, where a reception was given at the Chamber of Commerce in their honor.

The comptroller of the currency has issued charters to the Rideout, Smith National Bank of Oroville, Cal., capital \$300,000, which succeeds the commercial department of state bank of Rideout, Smith & Co., and the First National Bank of Walnut Creek, Cal., capital, \$25,000.

Redding.—Depositors in the defunct Bank of Shasta County at a meeting recently voted unanimously to recommend to State Superintendent of Banks Williams the acceptance of an offer made by Red Bluff stockholders. Holders of 387 shares expressed willingness to pay \$25,280 to be relieved of all stockholders' liabilities. This offer was \$5,000 higher than one made a month ago. Bank Superintendent Williams said that if the depositors approved he would ask the superior court for its official approval. This step now will be taken.

The Concord branch of the San Ramon Valley Bank opened its doors for business to-day. Guy E. Green will be cashier, and J. H. Coulter, assistant cashier.

Susanville.—John B. Spalding has been elevated from the position of vice-president to that of president of the Bank of Lassen County, succeeding John Cahlan, who died suddenly a few days ago. F. E. Humphrey has been elected to the board of directors.

WILL PAY TEN PER CENT

Superintendent George C. Van Tuyl, Jr., of the state banking department, announced Saturday that the 3,500 depositors in the failed Carnegie Trust Company will soon receive checks for the second dividend of 10 per cent. Supreme Court Justice Newburger has approved the petition made by Van Tuyl for authority to disburse moneys in the superintendent's hands.

Kilgore, Texas.—The Peoples Guaranty State Bank has been organized here with \$15,000 capital. J. F. Gulp, G. A. Erwin, J. W. Brantly, J. F. Reynolds and L. T. Shotwell are interested.

Seattle

Vice-president James W. Spangler of the Seattle National Bank, has been notified of his appointment to the National Commercial Arbitration Committee, created by the National Association of Credit Men, with headquarters in New York. Mr. Spangler is the only member in the Pacific Northwest and the membership is limited. No questions involving fine points of law are to be considered by the committee in its efforts to arbitrate differences in business matters on financial disagreements. The function of the committee will be to determine facts in issues presented for adjustment and so far as possible reduce the volume of business that too often finds its way into the courts unnecessarily. Mr. Spangler has been one of the most active members of the National Association of Credit Men and the Seattle association.

BOSTON BANK MERGER

The merger of the Eliot National Bank with the National Shawmut of Boston has been effected. Some of the directors of the former institution will be invited to go on the Shawmut board. The deposits of the Shawmut on Wednesday of last week were \$87,887,210, so that the addition of Eliot deposits will give the Shawmut nearly \$98,000,000 deposits. Resources of the Shawmut will aggregate well over \$110,000,000. This makes the sixteenth amalgamation for the Shawmut, its original formation in 1898 occurring through the consolidation of ten banks.

Commenting on the transaction, President Gaston, of the Shawmut Bank, says:

"It requires constantly larger sums to finance requirements of modern commerce. Boston, to compete with other cities, must have aggregations of capital in proportion. The Shawmut compares favorably in size and assets with any bank in the United States. The present addition still further improves its position.

"Competition among financial institutions has resulted in a rivalry which affects earning power, especially affecting smaller institutions. Returns of the comptroller show a wide difference in proportionate amounts earned by large and small banks. I believe that poor earnings of some smaller institutions are due to the modern method of offering any inducement to a possible depositor, regardless of the character of his account or its benefit to the institution. A bank ought to add to its surplus annually a fair amount, as protection to stockholders is often overlooked. I believe this is a temporary matter and will probably be rectified in the near future."

ANOTHER MASSACHUSETTS BANK MERGER

Gloucester, Mass., Oct. 28th.—The Gloucester Safe Deposit Company has purchased the business and good will of the City National Bank, of this city. This will make a banking institution with deposits of \$4,000,000. The City Bank will be liquidated.

Conway, Ark.—The Farmers State Bank will open for business about December 1st. S. G. Smith of the Bank of Conway and Frank Harris of the same institution are interested.

Pacific Northwest Banking News

Spokane, Oct. 28th.—Many things combine to make conditions in all lines of business unusually bright throughout the Spokane country. Coming closely after the beginning of activity on the \$2,000,000 Davenport hotel is an announcement that the E. H. Stanton Packing Company of Spokane is having plans prepared for a ten-story cold storage plant, costing \$100,000, to be built just east of Spokane. The company is preparing to store the ever-increasing fruit and vegetable crops of the Spokane country.

Another announcement of great importance is made by W. T. Beck, president of the Spokane & British Columbia Railway, who gives assurance that the road will be built. This will give Spokane another tidewater connection by way of the Spokane, Columbia and San Poil Valleys and over the Kettle Valley Railway, with connection through British Columbia to Vancouver, B. C.

Contracts have been let by the Idaho Portland Cement Company for construction of a \$700,000 plant at Asotin, Wash. The company is financed by Spokane capital.

Clearing of Logged-off Lands

Bankers and investors are interesting themselves in the problem of financing the settlement and clearing of the 2,000,000 acres of logged-off lands in the territory tributary to Spokane. A plan is being considered for the enactment of a state law empowering county commissioners to create improvement districts, the land to be cleared with money raised by assessment.

Frank C. Paine, assistant secretary of the Union Trust & Savings Bank, is advocating the plan. "Logged-over lands near Spokane can be cleared for from \$25 to \$50 an acre," states Mr. Paine. "There should be no difficulty in selling ten-year bonds to pay for the improvement and the farmer with little capital could afford to go on the land, with assurance of ten years' help from the county."

A bill providing for putting the plan into effect will be introduced at the next session of the legislature and will be given strong support.

Investment Bankers Visit Spokane

Twenty eastern investment bankers passed through Spokane en route to the coast and Powell River, B. C., to inspect at the latter place the large paper plant, a concern in which the bankers hold \$3,500,000 of bonds. The party will stop in Spokane October 27th, and will be entertained by the Spokane Clearing House Association. Members of the party are: G. B. Caldwell, vice-president Continental and Commercial Trust and Savings Bank, Chicago; J. L. Martin,

manager Estabrook & Company; Walter A. Graff, vice-president McCoy & Company; Joseph W. Harris, salesman A. B. Leach & Company; Richard Fitzgerald, manager bond department, Hibernian Banking Association; George Leach, A. B. Leach & Company; Joseph W. Harris, salesman A. B. Leach & Company; E. A. Lawbaugh, vice-president of Brayton & Lawbaugh, Limited; Frederic T. Boles, president Lord & Bushnell Company; John A. Shannon, John D. White, W. T. Braun and W. J. Engle, salesmen of the Continental and Commercial Trust and Savings Bank, all of Chicago; Felix T. Hughes, bond officer, Mississippi Valley Trust Company, St. Louis; F. A. Chamberlain, president Security National Bank; A. A. Crane, vice-president First National Bank; E. M. Stevens, Stevens, Chapman & Company; H. J. Scanlon, A. S. Brooks and B. F. Nelson, all of the Powell River Company, and all of Minneapolis.

Will Discuss Public Lands

Governors of every state in the Union have been invited to a conference in Spokane during the American Mining Congress, November 25th to 30th, to discuss the public lands and Alaskan questions. The call has been issued by Governor Marion E. Hay of Washington, supplemented by an invitation from Mayor William J. Hindley of Spokane. November 27th at the mining congress will be Governors' Day.

Large Realty Transfer

The largest realty transfer of residence property in Spokane was made when L. M. Davenport sold his beautiful home and grounds to R. B. Porter, railroad contractor, for a consideration of \$155,000. The home and grounds occupy a tract of four acres on the hill south of the city. Mr. Davenport and his family will live in a suite of the \$2,000,000 Davenport hotel after its completion.

Banking Notes

The Spokane Amateur Athletic Club will mortgage its property for \$36,500 to retire \$22,500 of outstanding bonds, issued to make improvements. Reports of officers show the club to be in a sound financial condition and on a paying basis.

The new Northern Pacific shops and roundhouse, three miles east of Spokane, will be ready for occupancy in sixty days. The improvements cost \$500,000. Bids will be opened November 2d on the \$3,000,000 grade separation project of the Northern Pacific in Spokane.

J. E. Ferris, of the bond department of the Union Trust and Savings Bank, left for Chicago and New York on an extended business trip in the interests of the bank. He will be absent from the city four or five weeks.

Frank S. Lusk, president First National Bank of Missoula, Mont., and Frank F. Johnson, cashier Boise National Bank of Boise, Idaho, were visitors in Spokane this week.

W. D. Vincent, cashier of the Old National Bank, who is secretary of the farm educational committee of the Washington Bankers Association, has received the notices to be sent out announcing the assessments levied to carry on the work of his committee. Twenty-five hundred dollars will be raised. Each bank with a capital of \$100,000 or less will pay \$5. The banks up to \$300,000 capital are assessed \$10, and those over \$300,000 will contribute \$20 to the fund.

Silas Rich, formerly a teller in the U. S. National Bank at Salem, Ore., indicted for alleged defalcation, was sentenced to five years in the penitentiary. The amount of the alleged defalcation is said to have been \$3,000.

Articles of incorporation of the Corvallis (Ore.) State Bank have been filed with the secretary of state. The articles show a capitalization of \$100,000. The incorporators are Punderson Avery, John Hyde, Frank Francisco, William Knotts and Thomas Whitehorn.



Final Payment a Week Earlier

YOUR Pacific Northwest items—perhaps they are taking from a week to ten days too long to collect. Every day the Old National Bank of Spokane collects *direct* items on the *Inland Empire*—bounded by the circle above—which have passed through long and circuitous routes from the east. During twenty years the *Old National* has built direct connections with every banking town in this Empire, which is more closely unified than any of the States contributing to its area of 150,000 square miles. Write for collection folder giving full data.

The Old National Bank OF SPOKANE

Capital One Million Dollars

Resources Ten Million Dollars

OFFICERS

T. J. HUMBIRD, Vice-President

D. W. TWOHY, President

W. D. VINCENT, Cashier

W. J. KOMMERS, Assistant Cashier

J. A. YEOMANS, Assistant Cashier

W. J. SMITHSON, Assistant Cashier

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Round Top, Texas.—The Round Top State Bank has filed articles of incorporation. F. Fricke, H. A. Dippel, A. Kraas, of Round Top, and H. T. Rosenberg and W. A. Matthei, of Belleville, are interested.

Cordele, Ga.—The Farmers State Bank has been organized, and it is stated will absorb the Cordele Banking Co.

Des Moines, October 30th.—An interesting decision declaring that the bank deposit certificate is a negotiable instrument, was handed down by the supreme court of Iowa last week. The decision comes as the result of rather a peculiar chain of circumstances. It seems that a poker game was in progress at Cedar Rapids. Ralph Abbott invited Samuel Kushner to "sit in;" Kushner lost all of his money—\$58. He wanted to continue in the game so he produced a certificate of deposit for \$175 in the Commercial National at Cedar Rapids. A third man in the game raised the money to cash the deposit and the slip was turned over to Abbott. The next day Abbott cashed the certificate in the First National at Iowa City. In the meantime Kushner had gone to the Cedar Rapids bank, told the officials that he had given the certificate to pay a gambling debt for which he could not be held under the law and asked them not to make good on the certificate should it be presented by other than himself. But Abbott had the cash and insisted upon keeping it. Kushner went into court and both the district and supreme courts ruled against him.

Mechanics Savings in New Home

The Mechanics Savings is now in its pretty new home in Des Moines. The new building was thrown open to the many friends of the institution Saturday. Throughout the day there was a constant stream of visitors and Monday the stream was even more so. The new bank is on Fifth Street adjoining the Manhattan Bank in which the institution has made its home since it was organized by Gilger E. MacKinnon some years ago. The fixtures are of mahogany and run the length of the building. At the rear are the bookkeepers and clerks, while in the front is an enclosed balcony which will be used as a directors' room. One of the unique features of the structure is a thoroughly equipped dining room and kitchen, and each day the employees will be served with their meals therein. There is also a shower bath and a gymnasium equipment where the employees may exercise when they feel the need of it. Mr. MacKinnon has always made special efforts to impress upon his employees the importance of co-operation, and in this he has been most successful. The Mechanics Savings has always been conducted as if it were in the hands of a big family and the dining room idea is expected to serve useful purposes along this line.

New Ruling in Iowa Supreme Court

The Iowa supreme court has held that a husband who forges his wife's name to an obligation for payment of money is not committing a crime against the woman. Hence the wife cannot be forced to testify against him. J. I. Molyneaux of Mahaska county was before the grand jury on the charge of forgery. His wife, when shown instruments to which her name was signed along with that of her husband, refused to testify. The courts

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

persisted in their efforts to force her testimony and upon her continued refusal ordered her cited for contempt. The case was taken before the supreme court, which holds that the signature of the wife's name to the obligation does not make her liable and that since no injury is sustained thereby, she is not bound to testify against him.

Greeks and Servians Withdraw Deposits

Iowa banks, in common with those of other states throughout the country, are feeling the effects of the Balkan situation in the loss of deposits. It has been estimated by Des Moines bankers that fully \$20,000 has been drawn from the local institutions by Greeks and Servians. This money is used either to send home to the governments to aid them in financing their armies or to defray the expenses of the foreigners who are starting for their homes across the briny. In Davenport it is estimated that \$18,000 has been withdrawn from the banks. Other Iowa cities report similar experiences in varying amounts. The accounts closed in Des Moines are estimated at practically 300.

Des Moines National to Add Third Story

Arthur Reynolds, president of the Des Moines National has discovered that the handsome building which that institution completed at Sixth and Walnut a few years ago is not large enough for the tremendously increased business of the institution. Accordingly, architects have been asked to prepare plans for a third story which will be added to the structure probably within the coming few months. It will be uniform with the building as it now stands and will be constructed of white terra cotta. The added room will be turned over to the mail department of the institution which has been trying to do an enormous business within the limited space allotted in the basement.

Death of Mrs. D. T. Denmead

Mrs. D. T. Denmead, widow of the late well-known president of the First National at Marshalltown, died suddenly last week of a paralytic stroke. She was fifty-two years of age and prominent socially. Her death was in some respects similar to that of her husband,

who expired suddenly while in Cincinnati June 11, 1911.

Maurice Brown President Iowa Trust & Savings

The story of Maurice Brown, newly elected president of the Iowa Trust & Savings at Dubuque, is one that should prove an inspiration to every boy in Iowa. When Brown began his connection with the bank he was an errand boy. But as his worth became recognized he was constantly advanced. He has filled the minor offices in the institution and now at the age of forty years he is made president of one of the most substantial banks in the state.

Will Appeal to District Court

Trouble is still brewing at Guthrie Center in the Sunday war. Some days ago, A. D. Lemmon, president of one of the banks and a prominent druggist, was arrested and fined because he sold papers on Sunday. The arrest was the culmination of a war which started over the question of Sunday baseball. Last week, he was again arrested and hauled before the mayor. The latter held that it is a violation of the anti-Sunday opening ordinance to have the doors open on the Sabbath even though no goods were sold. Mr. Lemmon announces that he will appeal to the district court.

In Favor of Trained Specialists for Road Improvement

G. L. Tremain, one of the bankers at Humboldt, recently gave a most interesting interview to the Fort Dodge Messenger on the question of road making. Mr. Tremain is in favor of placing the road improvement of Iowa in the hands of trained specialists who will go at the business in a scientific manner that would insure results. Mr. Tremain believes that the governor should name for each county an engineer or person capable of taking charge of the work. This appointee would divide the county into districts. In each district there would be men employed who would work the roads and work them in proper manner. Mr. Tremain favors permanent roads in Iowa at the earliest possible date and regrets that in the many lines in which Iowa has progressed, the state has been slow to develop along the line of highway betterment.

Bank Merger at Iowa Falls

It is stated that a bank consolidation of importance is contemplated at Iowa Falls. The directors of the Home Savings and the Citizens Savings have for a year been working on a merger of these two institutions. A meeting of the stockholders has been called for November 17th. At that time it is anticipated that steps will be taken which will make these two institutions into one. It is planned to make the number of directors nine and the capital stock \$50,000. It is said that some of those owning stock have holdings in both institutions and they consider the merger as a move along logical lines.

Creston May Buy Water Plant

E. W. Hart, representing the American Trust Company of Boston, has been conferring with residents of Creston relative to the waterworks company of that city which his company owns. The concern has suggested that the city buy the water plant and this offer was resumed by Mr. Hart at his visit. It is said there is a strong sentiment in Creston on the question and it is probable that the sale will be made.

Will Surrender Forger to Washington State

Secretary Hall, of the Iowa Bankers Association, has been having several experiences with Emery Salyards, alias E. Southern, who was recently returned from Denver to answer charges of forgery of \$45 on the Mechanics Savings of Des Moines. Mr. Hall has learned

that one of the Tacoma banks has a much better case against Salyards and the penalty in Washington is more severe, hence he has decided to surrender the prisoner to that state. In the meantime, the bank through which it is claimed \$5,000 in forged paper passed at Tacoma has been trying to get possession of the 90-horsepower automobile in which Salyards and his wife were going across the country.

John Cavanaugh of the German Savings

Further announcement has been made of the proposed change in officials at the German Savings, Des Moines. It was stated some time ago that John Cavanaugh, well known among the young financiers of central Iowa, had become heavily interested in the institution and was made vice-president. Further announcement is made that at the annual meeting January 4th, he will probably be made president. It is expected that Jesse Wells will retire at that time. Mr. Cavanaugh, it appears, has purchased the 260 shares of the James Watt estate and John Hogan, the popular cashier of the institution, has purchased 100 shares held by C. Huttenlocher.

Files Suit Against Bank

An echo of the famous Mabry swindling cases bobbed up at Council Bluffs in the filing of a suit by James E. McGrath for \$13,000, naming the First National of that city as defendant and alleging that he has not received the proceeds from a draft for \$10,000 payable to him and lost by him at one of the Mabry lake athletic events five years ago. The petition charges the bank with conspiracy with the Mabry gang, a charge that has been made before but never proved. Officials declare that there is absolutely nothing in the suit and will oppose it with all the powers at their command.

Iowa Banking Notes

S. L. Moore, president of the First National and of the Security Savings at Boone, contracted ptomaine poisoning from eating oysters and has been quite ill, but at this writing, there is every reason to believe he will recover.

Mrs. W. H. Pratt of Sioux Rapids, mother of C. B. Mills, prominent banker at Clinton, died at the home of the latter. W. H. Pratt, Jr., another son, is president of three banks in South Dakota.

J. H. Blair, vice president of the Des Moines National has gone to San Antonio and Brownsville, Texas, on a three weeks' business trip.

E. McCall, son of E. E. McCall, well-known banker at Winterset, was chosen captain of the Harvard University football team and of course Father McCall is well pleased.

Homer A. Miller, president of the Iowa National, Des Moines, has been re-elected director of the Chicago & North Western Railway.

E. D. Carter, cashier of the Peoples National of Perry, has been chosen president of the Farmers Savings at Bagley, succeeding J. W. Thompson, who has removed to Estherville. Mr. Carter was instrumental in the organization of the Bagley institution and will retain his Perry interests.

The Marathon Savings is a new institution at Marathon. The capital stock is \$40,000. Incorporators include E. B. Wells of Marathon, W. W. Bennett of Storm Lake, M. Hakes of Laurens and George B. Wells of Macomb, Ill.

Clarence F. Schmidt of Muscatine, has accepted the position of teller in the First National at Davenport. He has been connected with the German-American Savings at Muscatine for the past seven years.

The Century Savings Bank, to which had been assigned the claim of Howard J. Clarke

for \$6,711.89 as attorney fees in an important suit involving the street car franchise in Des Moines, won out in district court. Judgment against the city for that amount was awarded the bank.

Rupert E. Jackson has been chosen cashier of the State Savings at Chariton.

A. J. Whinery, a banker at Castana and later state bank examiner, has purchased a bank at Bently, Iowa, and is in business for himself.

Sioux City

BY JOHN J. BIDDISON

Sioux City banks are beginning to feel the demand of the country loans on crop moving and stock feeding, and this pull may be expected to develop rapidly within the next month, whichever way the market may go. The market situation in this territory is quite the reverse of what it was a year ago. Then it was high priced corn that acted as a deterrent factor in the cattle feeding business. Now it is the high price of feeders. There is the additional fact that corn prices are not yet as low as they might be expected to be in view of the record breaking yield; and, until it does take a marked drop, cattle feeders will be slow about venturing large amounts on high priced raw beer. Bankers, grain dealers and farmers are generally of the same opinion that corn will have to slump when the real movement starts, which it has not done yet on a large scale. The farmers don't need the money and would rather take a chance. When corn sells in large quantities, then feeders will too, and the High Cost of Living bogey in this vicinity may be expected to get a severe jolt. This is not saying, however, that the cost of high living will undergo any material change.

Iowa League of Commercial Clubs Meets

Lack of brains, or lack of common honesty, were named by commercial club secretaries of this state as the principal reason for the rejection of the vast majority of projects hopeful inventors or factory men present to business organizations, in a discussion here at the annual convention of the Iowa League of Commercial Clubs. The discussion arose from the presentation of a paper by C. O. Lamson, of Waterloo, on the relation of banks to industrial development. Waterloo has for several years engaged the attention of other cities of Iowa and near-by states because of the phenomenal record it has made at building up factories and many seekers after information have investigated the Waterloo plan, which in its last analysis is nothing more than a liberal investment of money in new concerns by Waterloo business men, backed by the liberal loan policy of Waterloo banks.

O. B. Towne, of Council Bluffs, voiced a general opinion at the round table, when he asserted that 95 per cent of the propositions that are put up to commercial clubs and kindred organizations are fakes in one way or another. Mr. Towne vigorously asserted that the average factory promoter not only lacks the intelligence to put over his proposition, but the honesty to deserve success. The average inventor, he added, is visionary, with very definite ideas about getting a fortune for his idea, but only hazy plans for putting a factory in going condition. For that reason, many of them end their existence in the bankruptcy courts.

Files Suit for Slander

Brougham Stevenson, former cashier of the Knox County Bank, of Verdigris, Neb., has brought suit against five fellow members of the Odd Fellows lodge of his home town, asking for \$25,000 damages for alleged slanderous

statements that he had misappropriated funds of the lodge. Charges were placed against him in the lodge and sustained, he says, and he lost his position.

South Dakota State Banks

Public Examiner Wingfield, of Mitchell, S. D., is making a report based on the South Dakota state bank call, issued September 4th, and which will be ready shortly. He is exceptionally well pleased with the conditions he has found in the state banks. A comparison of the June and September calls shows total deposits for September of \$55,962,323.13, as compared with \$51,934,783.62 an increase in round numbers of 44,000,000. The reserve cash in September was \$17,393,046.66, and for June, \$14,427,313.71. The undivided profits in September were \$2194,568.10 and in June, \$1,846,270.78.

New South Dakota Bank

T. C. Torrison, of Omaha, has organized the State Bank of Martin, S. D., and will erect a building for the institution.

Announcement of Marriage

Announcement has been made of the approaching marriage of Ben Funk, son of State Senator A. B. Funk, of Spirit Lake, Ia., and Miss Gertrude Elois Jenks, of Omaha. Mr. Funk is an employee of the Spirit Lake National Bank.

First State of Luffman, S. D. Organized

Business men of Luffman, S. D., and well-to-do farmers, have organized the First State Bank of Luffman, which opened for business November 1st with \$10,000 capital. The officers are: President, Geo. F. Anderson; vice president, E. A. Movius; cashier, Ed. J. Rodine; assistant cashier, Elmer Kaas.

Banking Notes of Interest

The Farmers State Bank is erecting a new building at Rosalie, Neb.

The Exchange State Bank, of Stuart, Ia., has been purchased by J. P. Fox, his father and brothers, from the Savage family, which has controlled it since 1874. Mr. Fox will become president and H. L. Hackthorn will retain his position as cashier.

N. E. Franklin, president of the First National of Deadwood, S. D.; Ben Bear, of St. Paul; John Clay, of Chicago, and other local associates, have applied for a charter for a new bank at Sturgis, S. D., to be known as the Bare Butte Valley Bank, with a capitalization of \$25,000. It is hoped to have the bank in operation within sixty days.

The first dividend checks are being sent out to the depositors of the defunct Meade County Bank, of Sturgis, S. D., which could not stand the disaster of two crop failures and overloans. It went to the wall last January. These first dividends are on a 10 per cent basis. Another similar dividend is expected to be made by the end of this year.

Sioux City Visitors

The following bankers were visitors in Sioux City the past week: W. A. Sanford, president of the First National of Cherokee, Iowa; R. E. Brown, cashier of the Reliance (S. D.) Savings Bank; L. C. Barbour, president of the First National, Brunswick, Nebraska; O. P. Miller, president Lyon County National, Rock Rapids; F. B. Carter, cashier First National, Oldham, S. D.; H. Fortin, cashier Farmers Bank, Salix, Iowa; Paul G. Riedler, cashier Thurston (Neb.) State Bank; John B. Phelps, assistant cashier Kingsley (Iowa) Bank; C. Sullivan, assistant cashier First National, Cherokee, Iowa; Chas. G. Jordon, cashier First National Bank, Belden, Nebraska; W. T. Graham, cashier First National, Laurel, Neb.

J. D. Haskel, president of the Farmers National, Wakefield, Neb.; D. Mathewson of the Norfolk (Neb.) National, and their friend, Mr. Braden, superintendent of the Northwestern railroad, spent Monday in Sioux City with President John McHugh, of the First National, playing golf at the Country Club. These men come in occasionally during the summer months to try their skill with Mr. McHugh, who is one of the strong players of the local club.

REMARKABLE GROWTH OF A NEW BANK

Monday, October 28, 1912, North West State Bank was seven years old, it having been established as a private bank, under the name of North West Savings Bank, Joseph R. Noel,



NORTH WEST STATE BANK BUILDING

proprietor, October 28, 1905. The building at the northwest corner of Milwaukee and North Avenues, which it owns and occupies, was not acquired by it until February, 1906. The bank moved from its temporary location on West North Avenue to quarters on the second floor of its own building in April of that year. May 27, 1906, it moved downstairs and occupied quarters on the ground floor, which were subsequently extensively enlarged to care for the requirements of its growing business. It was incorporated as a state bank January 26, 1909,



JOSEPH R. NOEL
Chicago
President North West State Bank

and began business under the new name (North West State Bank) February 1, 1909, with Mr. Noel as its president, in which capacity he continues to serve.

Though there are nearly a score of banks now doing business in that section of the city, North West State Bank, with one exception, is the oldest northwest side banking institu-

tion which has remained under the same continuous control since it was established.

Before he established his bank Mr. Noel thoroughly canvassed the situation in the neighborhood. Among the business men it was almost the universal opinion that there was not enough business in this section of the city to sustain a bank, but Mr. Noel had faith in the northwest side and established his bank as above noted. Viewed with suspicion and almost distrust at the start, and notwithstanding it encountered a few experiences of unusual severity early in its career, this bank has shown continuous and steady growth from the beginning and to-day it numbers over 8,000 customers in all its departments, with deposits exceeding one and one-half million dollars. When it began business in 1905, the total deposits of all northwest side banks then in existence was less than four million dollars. At the present time the total deposits of the banks in this section of the city exceed twelve million dollars.

The officers of this institution are Joseph R. Noel, president; James Davis, vice-president; William B. Conklin, vice-president, Albert S. Boos, cashier, and Frank W. Hausmann, assistant cashier.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for period beginning Wednesday, October 12, 1912, and ending Tuesday, October 22, 1912, both inclusive:

- Arkansas—Arkadelphia, Citizens National Bank.
- California—Patterson, Bank of Patterson.
- Florida—Clearwater, Bank of Clearwater; Floral City, Bank of Floral City; Mulberry, Bank of Mulberry.
- Georgia—Albany, American Trust & Banking Co.; Camilla, Planters Bank; Vienna, Bank of Vienna.
- Illinois—Chicago, Allerton, Greene & King.
- Iowa—Centerville, Wooden Savings Bank; Duncombe, Duncombe Savings Bank; Melvin, German Savings Bank.
- Kansas—Coffeyville, First National Bank; Topeka, German-American State Bank.
- Kentucky—Benton, Bank of Marshall County; London, National Bank of London.
- Maine—Eastport, Frontier National Bank.
- Massachusetts—Boston, Julius Rottenberg, 115 Salem St.
- Michigan—Belleville, Bank of Belleville; Blissfield, Blissfield State Bank.
- Mississippi—Drew, Merchants & Planters Bank; Shelby, Shelby Bank.
- Missouri—Breckenridge, Exchange Bank; Jefferson City, Merchants Bank; Mountain View, Bank of Mountain View.
- New Mexico—Dayton, Bank of Dayton.
- North Dakota—Taylor, Taylor State Bank.
- Ohio—Racine, First National Bank; West Lafayette, West Lafayette Bank Co.
- Oklahoma—Gotebo, Bank of Gotebo; Morris, First State Bank; Owasso, First National Bank; Stratford, State Bank of Stratford.
- Pennsylvania—New Salem, First National Bank; Parkesburg, Farmers Bank of Parkesburg.
- South Carolina—Greenville, City National Bank.
- Texas—Crosbyton, First National Bank; Eastland, First State Bank; Gainesville, First National Bank; Georgetown, Farmers State Bank; Houston, National Bank of Commerce; Robstown, First State Bank.
- Wisconsin—Blair, Home Bank of Blair.
- Cuba—Havana, Banco Espanol de la Isla de Cuba; Cienfuegos, Banco Espanol de la Isla de Cuba, Branch; Santiago de Cuba, Banco Espanol de la Isla de Cuba, Branch.

MATERIAL DECREASE IN COUNTERFEITING

Washington D. C., Oct. 31st.—Counterfeiting materially decreased in this country during the fiscal year 1912.

John E. Wilkie, chief of the United States secret service, ascribing the improvement largely to an era of prosperity, to-day announced in his annual report that the representative value of spurious notes and coins circulated during the year was \$39,000, the lowest since 1907.

Counterfeits during 1911 totaled \$49,000, exclusive of \$156,000 in foreign currency, while the high record year was 1910 when more than half a million dollars' worth of imitations were seized by the secret service.

"It has been noted," said Chief Wilkie, "that any extended period of good times is marked by a decline in the activity of criminals who specialize in counterfeiting. When legitimate work is easily obtained there is less inducement to resort to illegitimate pursuits, with the attendant risk of personal freedom."

There were 324 counterfeiters arrested during the year, while the record of 1911 was 410. Of these, 244 were Americans. Italians led the foreigners with thirty-five. New York headed the list of states with forty counterfeiting cases. Illinois and Pennsylvania tied for second place with thirty-three each, while Ohio had twenty-three cases.

ASSIGNMENT MADE BY TENNESSEE BANK

Clifton, Tenn.—The Peoples Bank of Clifton made an assignment this morning, its assets being given as \$130,000, and its liabilities as \$70,000 and J. J. Montague, assistant cashier of the bank, being named as assignee. It is claimed that the bank, which is a state institution, will be able to pay off all its obligations. The officers of the bank are Judge John A. Pitts, of Nashville, president; T. S. Hughes, of Clifton, cashier, and J. J. Montague, assistant cashier. Inability to obtain a sufficient amount of money with which to carry the crops is given as the occasion for the assignment.

WILL CALIFORNIA GO DEMOCRATIC?

Says the San Francisco Chronicle:

The Bull Moose movement in this state is a thing of shame, and the multitude of the honest who were deluded into it are silent in the face of universal detestation and contempt.

And, as it stands to-day, the Taft Republicans will join with the LaFollette Republicans in voting for Wilson as the certain way, not only to rebuke, but to punish, political infamy.

GROUP 4, OHIO

Washington, C. H., Ohio, October 29th.—The annual meeting of Group 4 of the Ohio Bankers Association was held here to-day, 100 bankers from various parts of southern Ohio being present. Chairman O. M. Sams, of Hillsboro, presided. An address of welcome was delivered by Humphrey Jones, president of the Peoples and Drovers Bank, of this city. In his address Mr. Jones talked of the initiative and referendum, taking a strong stand against it. He was a member of the Constitutional Convention. D. L. Spetnagle, of Chillicothe, responded to the address of welcome.

At the banquet A. P. Sandles, secretary of the Ohio Department of Agriculture, urged the bankers to do all in their power to assist the farmers in improving present conditions and methods. He spoke of the importance of farmers and their sons and hired help attending the farmers' institutes that will this winter be held, two in each county of the state.



The Carriage—A Vital Part of the Wonderful Burroughs Visible

Don't be misled by generalities in adding machine advertising and selling. Get specific facts and comparisons on specific points.

Particularly notice the carriage construction, for the carriage makes or mars adding machine convenience and visibility.

The carriage of the Burroughs Visible is so arranged that it gives greater visibility of printing with less effort by operator than any other adding machine in the world.

Note the points of superiority indicated by the arrows.

These are exclusively Burroughs points.

Remember that Burroughs Visible Machines are built in the Burroughs Factory, of the same material, with the same wonderful machine tools, and by the same workmen who

have built a reputation for lifetime service into other Burroughs machines.

The Burroughs Factory is not a new one, built just to make this onetype of machine. It has been running 20 years and even the first adding machines turned out are still in use.

The Burroughs reputation and prestige are being built into every one of these machines and every word of the Burroughs Guarantee and of the Burroughs Service pledge goes with every machine.

Burroughs Adding Machine Company
65 Burroughs Block, Detroit, Michigan

Makers of adding and listing machines; listing and non-listing calculating machines; visible printing machines—86 different models in 192 combinations of features—\$150 to \$950, easy payments if desired.

Not merely
Points of
Merit—but
Points of
Superiority

McCORNICK & CO. TO REMODEL QUARTERS

The banking firm of McCornick & Co. of Salt Lake City will remodel its banking quarters. They are to be entirely refitted, decorated and refurnished on an elaborate plan.

IDAHO BANK CLOSED

Culdesac, Idaho.—With liabilities amounting to approximately \$82,000, the State Bank of Culdesac has been closed by State Bank Examiner Platt. The insolvency, it is said, comes as the result of an extensive loan business used principally in financing a sawmill project. J. C. Martin is president and George Martin, cashier. The bank holds about \$5,000 in deposits of the county and about \$1,000 of the village money.

GIVEN FIVE YEARS

Cincinnati.—William H. Kruse, former teller of the German National of Covington, Ky., was sentenced to five years at the Federal prison at Atlanta, Ga., when he pleaded guilty to the misuse of \$14,000 of the funds of the bank.

TWENTY-EIGHT MILLION IN POSTAL SAVINGS BANKS

At the present time there are 13,000 postal savings banks with deposits aggregating twenty-eight millions.

DETROIT BANK ESTABLISHES NEW BRANCH

Peoples State Bank of Detroit has established a new branch at Chene Street and Milwaukee Avenue. This is the ninth branch established by the bank.

HOWARD H. HITCHCOCK AWAY

Howard H. Hitchcock, vice-president of the First National of Chicago, is out of the city on a vacation.

EMBEZZLERS CONVICTED

The conviction of Wm. E. Breese and Joseph E. Dickerson on an indictment charging conspiracy to embezzle from the First National Bank of Asheville, N. C., has been approved by the supreme court. The indictment was brought in 1897 and has been fought ever since.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BUSINESS OPPORTUNITIES

If You Want to buy or sell the controlling interest, or stock carrying official position in a bank, we would like to hear from you at once. No publicity or annoyance. All dealings strictly confidential. We have a number of good banking propositions for sale. C. B. Enkema & Co., 236 Security Bank Bldg., Minneapolis, Minn. References: Any Bank or Commercial Agency here.

Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Banking Commissioner Gill estimates that

the guaranty fund of Texas will be approximately \$675,000 on January 1st. For the 697

chartered state banks the law requires guaranty deposits of one-fourth of 1 per cent.

Paton, Iowa.—The Peyton Bank has been

organized with \$18,000 capital. W. T. Peyton is president and George H. Gibson, cashier.

Department of New Business

NORTHWEST

Willisville, Ill.—The Farmers & Citizens Bank has been organized with \$10,000 capital. E. A. Brown is president and A. Glen Brown, cashier.

Brimley, Mich.—The Brimley State Bank has been organized with \$20,000 capital. A. J. Clark, of Bad Axe, and V. N. Wallace are among the organizers.

Cromwell, Minn.—The Cromwell State Bank has been incorporated by John F. Oberg and Charles Morse.

Lakefield, Minn.—The Farmers State Bank has been organized with \$20,000 capital. A. J. dinand Klindt and William Greig, of St Paul, and J. G. Branch, of Chariton, Iowa, are interested.

Schafer, N. D.—The Farmers State Bank has been organized, and will open for business shortly in the Stillwell Building. G. W. French, cashier, and H. J. Chard, assistant cashier.

Forbee, N. D.—The Merchants State Bank has been incorporated with \$10,000 capital. F. M. Weber, Ole Dalager and L. I. Whalen are interested.

Buffalo Springs, N. D.—The First State Bank has incorporated with \$10,000 capital. J. E. Phelan, C. D. Phelan and Dugald Stewart are interested.

Jefferson City, Mo.—The Cole County Bank has been organized with \$25,000 capital. Joseph Pope, William F. Winkelmann, J. E. Moerschel, J. W. Fisher, Henry Dulle and others are interested.

Sanford, Mo.—The Mousom River Trust Company has been organized here with a capital stock of \$75,000. Among the officers are: George W. Hanson, president; Moses H. Goodwin, vice-president; and Charles W. Hanson, cashier. The company will open for business January 1, 1913.

Hamilton, Mo.—The Farmers & Merchants Bank has been organized, and will open for business about the first of November.

Hartford, Iowa.—The Hartford Savings Bank has incorporated. Wm. Buzton is interested.

WEST

Hennessey, Okla.—The Hennessey State Bank has obtained a charter. Fred Ehler, C. D. Hart and T. H. Staggs are interested.

Salt Lake City, Utah.—The Fritsch Loan & Trust Co. has been organized with \$100,000 capital.

Winnemucca, Nev.—The Winnemucca State Bank & Trust Company is organizing with \$100,000 capital. Mr. Reinhart, Thomas Nelson, Ed. Reinhart, J. R. Harvey and Simon Reinhart are interested.

Talmage, Neb.—The Farmers State Bank has been organized with B. C. Marquardt president and Adolph Ritter vice-president and E. G. Spencer cashier.

SOUTH

Memphis, Tenn.—The Aegis Trust Co. has incorporated with a capital stock of \$100,000. Among the incorporators are: S. Smith, C. P. McElheney, E. S. Heil, H. Maynard and A. B. Swain.

Little Rock, Ark.—The Commonwealth Trust Co. has been incorporated with an authorized capital of \$200,000 and paid-in capital of \$100,000. Charles Berner, of Tulsa, Oklahoma, is president, L. W. Hagg, of Kansas City, Mo., secretary, and L. H. Brady, of Little Rock, treasurer.

Caddo Gap, Ark.—The Bank of Caddo Gap has been organized with \$10,000 capital.

Devall, Ark.—The Bank of Commerce has been organized with \$20,000 capital. E. D. Vansyskel is president, W. T. Jones, vice-president, and J. R. Manley, secretary and treasurer.

Port Arthur, Texas.—The Home Trust Co. has organized with \$50,000 capital. C. G. Gates, R. H. Woodworth, Travis Lambert, W. N. McReynolds and J. W. Williams are interested.

Liberty Hill, Texas.—The First State Bank of Liberty Hill has been chartered with a capital of \$10,000. Among the incorporators are: S. P. Morgan, J. S. Ratliff and C. Mankin.

Mount Selman, Texas.—The Guaranty State Bank has been organized. C. T. Burton is president, H. W. Ferguson, cashier, and J. S. Brock, vice-president.

Choudrant, La.—The Bank of Choudrant has been organized with \$20,000 capital. J. R. Wimberly is president, and A. L. Briant, cashier.

Equality, Ala.—The Bank of Equality is reported organized with a capital stock of \$10,200. Among the interested are: Robert S. Howard, James M. Parker, H. L. Thompson and others.

Alanta, Ga.—The Citizens Savings Bank & Trust Co. has filed articles of incorporation. Keats Speed, H. C. Bagley, P. C. McDuffie, F. E. Mackle, and G. J. Yundt are interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

ocracy depend upon for its campaign enthusiasm?"

SPOKANE business men are using a map for advertising in the papers, showing a "75 mile circle" in which \$300,000,000 new wealth is produced every year.

IT shows the twelve railroads which radiate from Spokane. There are also 350 miles of electric roads in the section. It is a great showing.

"LAWS OF DESCENT" is a valuable little booklet issued free by the Northern Trust Co., Chicago. Directs attention to the importance of making a will.

FIRST TRUST of Milwaukee sends out from its bond department a choice list of Wisconsin municipal bonds purchased advantageously during the prevailing high rates for money. Dean Jay is manager of the department and will answer inquiries promptly.

MATTHEW WILSON, 81 years old, a pioneer lumberman of western Michigan and president of the Union National Bank, died on Wednesday at his home in Muskegon. He had been ill for weeks.

IT is reported that a young man who has had a favorable governmental office experience, and comes well recommended by several members of the executive council of the Illinois Bankers Association, will make application for the position of secretary of the association, if it is determined that the resignation of the incumbent is to be accepted. This young man, in addition to his governmental office experience, has had a valuable corporation office experience in Chicago, and his friends on the council regard him as in every way well qualified to perform the duties of the office acceptably to all the members.

CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

Taft or Mr. Wilson or Mr. Roosevelt is elected to the presidency, the business public goes on its way, getting and spending and laying plans for new ventures, while trade and commerce are expanding into greater volume than at any time within five years."

IN California, of course, the issue is between Wilson and Roosevelt. Taft was kept off the ticket by the fair (?) minded Johnson and his fellow bull moosers.

REPUBLICANS in California who do not favor Roosevelt must vote for Wilson or be disfranchised. Fine example of the Colonel's square deal when he has the power.

UNSEATING questionable delegates is much less of a crime than the disfranchisement of an entire party in a state.

THE Pacific states are showing remarkable growth in banking resources. In growth of nationals they lead the country, showing nearly half (44%) of the total increase for all the states over a period of four years.

THE south comes second with 29% and the middle west shows 15%; New England and the Eastern states are much below 10%. "New business" representatives will please note.

SAN FRANCISCO, in capital, surplus and undivided profits of nationals, surpasses both St. Louis and Kansas City. It leads, also, Denver, Salt Lake City, Seattle, Spokane, Tacoma, Portland and Los Angeles combined.

W. J. KOMMERS of Spokane, traveling out on a scouting expedition for the Twohy banks, spent a couple of days in Chicago this week. He was investigating the systems of bank management in a number of the leading institutions.

THE previous week had been spent almost entirely in Minneapolis and St. Paul and Mr. Kommers was very much impressed with the efficiency of the organizations there. Altogether he has devoted about one month to this particular subject with a view to preparing a plan for adoption in the Old National, the Union Trust and Savings and in another institution in which Mr. Twohy is largely interested.

THE OLD NATIONAL long has been considered a leader in its field, but this is not quite satisfactory to Mr. Kommers. He wishes to adopt every improved method which is applicable to the banking business in Spokane. In the past ten years, twenty-five young men have graduated from the Old National into other institutions in the Northwest, and it is Mr. Twohy's idea that if he is to continue supplying qualified bankers to other institutions, he must have the very latest banking curriculum.

MR. TWOHY himself was in Chicago on Monday, making a hurried trip to New York on a business matter. He just missed meeting Mr. Kommers at the Continental and Commercial National by a very few minutes.

MR. KOMMERS gave it as his idea that after having investigated the banking systems of some of the smaller places, as well as those of Minneapolis, St. Paul, Milwaukee and Chicago, a continuation of his trip toward the eastern coast was quite unnecessary. He was greatly impressed with the new bank buildings being erected in Milwaukee by the Marshall and Ilsley Bank and the First National.

J. A. WARD of the Cleveland (Ohio) National wrote a funny story about balancing pass books in a bank and it came under the eagle eye of E. St. Elmo Lewis.

MANY of the brilliant thoughts of Mr. Ward were just so many boosts for the Burroughs, and the humorous tale has been illustrated and bound in a vest-pocket edition (2x4 inches) for free distribution.

THE title used is "Reconciling an Individual Account," and the banker who asks for a copy will be well entertained.

THE big, husky captain of the Maroons (Chicago University) is a son of Henry M. Carpenter, one of the new members of the Big Council from Iowa.

IT is reported that as a result of friendly correspondence between Ingwersen and Heinsheimer, the latter will be a candidate this, and Ingwersen next, year, for the presidency of the Iowa Bankers Association.

FRIENDS of the two have been quite active arranging it so that there may be no complications. It was due and coming to Ingwersen, but he did not wish to go out against Mr. H., who is one of the patriarchs of the organization. It isn't likely that any other candidate will appear, and it will go off like Mr. Shade's election this year.

THE administrative committee of the A. B. A. did not meet on Monday in St. Louis, as expected. Col. Farnsworth was called to Duluth on urgent business.

THE new \$1,000,000 stock in the Old Colony, at Boston, was taken by the stockholders of record on record time. The distribution price was 150.

EDMUND BILLINGS is president of the reorganized Paul Revere Trust Co., Boston. J. H. Turnbull, formerly with the Federal, and James Jackson, late of Lee Higginson & Co., are vice-presidents.

TO all those papers which thoughtlessly printed "unauthorized" interviews saying he intended to retire, George M. Reynolds, from his retreat at the Marlborough-Blenheim, Atlantic City, has written to say:

"I HAVE no intention whatever, upon the completion of our new building, to retire from the presidency of the Continental and Commercial National Bank of Chicago to take the chairmanship of the board. On the contrary, I expect, my present good health permitting, to continue as president and active manager of that bank for many years to come. While I have had a short illness, I am well again and will be at my desk early in November as strong as ever."

BYRON W. MOSER of St. Louis, president of the A. I. B., was presented with a silver loving cup by the chapter boys who landed him in the spot-light.

PITTSBURGH clearings last week were over sixty-seven millions, the record by several.

W. D. VINCENT writes that the "farmers' cocktail," popular at Detroit, was made "official" at the dry farming congress at Lethbridge.

"THE committee of One Hundred," Chicago, after "months of consideration," recommends no one but straight republicans for election, and not all of them. Deneen only on the state ticket. Will that help him? We bet not!

YES, and the neglected candidates cashed up about \$2,000 each for "expenses." Probably the democrats and moose did not contribute. Too much McCormick in this way of doing things.

DAVID R. FORGAN, president of the National City Bank of Chicago, will be one of the speakers at the eighth annual banquet of the Canadian Club of New York, which will

be held at the Hotel Astor November 12th. Mr. Forgan will speak on "How to Avoid Another Panic."

COL. J. J. SULLIVAN of Cleveland, spoke on "Should National Banks Loan on Real Estate." Every one is agreed that the colonel made a very masterful address, and as is his custom, avoided committing himself.

FIRST NATIONAL BANK of Cleveland has compiled statistics showing the growth of national banks in Cleveland since 1890. From this source it is learned that Cleveland's seven national banks are \$31,000,000 richer in deposits than were the fifteen national banks in existence twelve years ago.

MRS. C. E. BATCHELLER, president of the First National at Fingal, N. D., was elected a member of the executive board of the women's congress recently held in conjunction with the International Dry Farming Congress at Lethbridge, Alberta, Canada. Mrs. Batcheller is to represent the state of North Dakota on the board. This is a further tribute to her ability as a business woman, and her work will reflect credit not only upon herself, but upon North Dakota and the organization which she is serving.

NEW YORK papers have announced a big merger including the Fourth, the Mechanics & Metals and the Bank of New York, with James G. Cannon at the head of it. Resources would show the magnificent total of \$186,000,000.

MR. CANNON is a far outstanding figure in New York banking circles, engaging in many important things outside of his profession. The Bank of New York is the oldest in the state, having been organized by Alexander Hamilton.

A NUMBER of newspaper men have formed the nucleus of an organization to be known as the "Glacials." One of its objects is to promote the teaching of the history of the Northwest to the school children throughout the country. President Taft will be asked to recommend that one day, to be known as "See America Day," be set apart each year.

THE "Glacials" will include in its membership newspaper men throughout the states. This is one of a number of movements to give greater recognition to the Northwest as a factor in the history of our country. Many of the text-books in history studied in our schools are deficient in this respect. A book has recently been published, however, by Houghton Mifflin Company that gives great attention to this important part of the country.

E. G. McWILLIAM, secretary of the savings bank section, A. B. A., has issued a little tract on "Finger Prints Proven Practical." If you didn't get one, write to 5 Nassau St., New York.

SECRETARY FRANKLIN MACVEAGH said at the Union League Club meeting in Philadelphia that "the so-called Progressive party is perhaps the least progressive party in the campaign."

A DAM BEDE told the same audience which listened to Mr. MacVeagh that "T. R. where he is really known doesn't stand any more chance than a bow-legged girl does in the town where she was raised."

OF course Perkins only is vice-chairman of the membership committee of the Ananias Club, but he handled the rushing business while the Colonel was ill very beautifully.

A MAN has patented a prescription which renders whisky "perfectly mild and harmless. What then will the County Dem-

(Continued on page 30)



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

BOARD OF DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate

THIES J. LEFENS, Capitalist
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national Harvester Company
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JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
of Directors Joseph T. Ryerson & Son
JOHN G. SHEDD, President Marshall
Field & Company
ORSON SMITH, President
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Sprague, Warner & Company
MOSES J. WENTWORTH, Capitalist

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

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Ticket Office 76 W. ADAMS ST. Commercial National
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If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

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COMPANY

MAKERS OF

HALF TONES - ZINC ETCHINGS
WOODCUTS - DESIGNS
AND
MECHANICAL RETOUCHINGS

STROH BLDG.

MILWAUKEE

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
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The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

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RICHARD L. AUSTIN
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c B econ

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

NOVEMBER 9, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

George E. Roberts

George E. Roberts, director of the United States mint and former president of the Commercial National of Chicago before its merger with the Continental, is in the city and renewed friendships in the financial district during the week. According to Mr. Roberts, the country is on the eve of great prosperity, growing out of abundant crops. Politics, he declares, will have little effect under these conditions.

J. B. FORGAN SAYS BUSINESS INTERESTS WILL NOT BE AFFECTED

J. B. Forgan, president of the First National Bank of Chicago, sees no cause for alarm in the triumph of the democrats. He says that business already is on too firm a foundation to be disturbed by the change in administration.

MONEY MARKET HELD FIRM

Money in Chicago ruled firm during the week around 6 per cent, although it is understood that a few choice loans were made on a $5\frac{3}{4}$ basis. Funds are fairly abundant, but bankers still believe that crop requirements will call for considerable sums and the rate will not go down much from the 6 per cent basis the remainder of the year.

PEORIA BANKER REPORTS PROSPEROUS CONDITIONS

William C. White, president of the Illinois National, Peoria, Ill., says that business conditions are satisfactory in the Peoria district and that there is a strong demand for money. Mr. White is secretary of Group 2, and one of the popular and well-known bankers of the state. He also is secretary and treasurer of the Peoria Clearing House.

HENRY S. HENSCHEN ON THE ELECTION

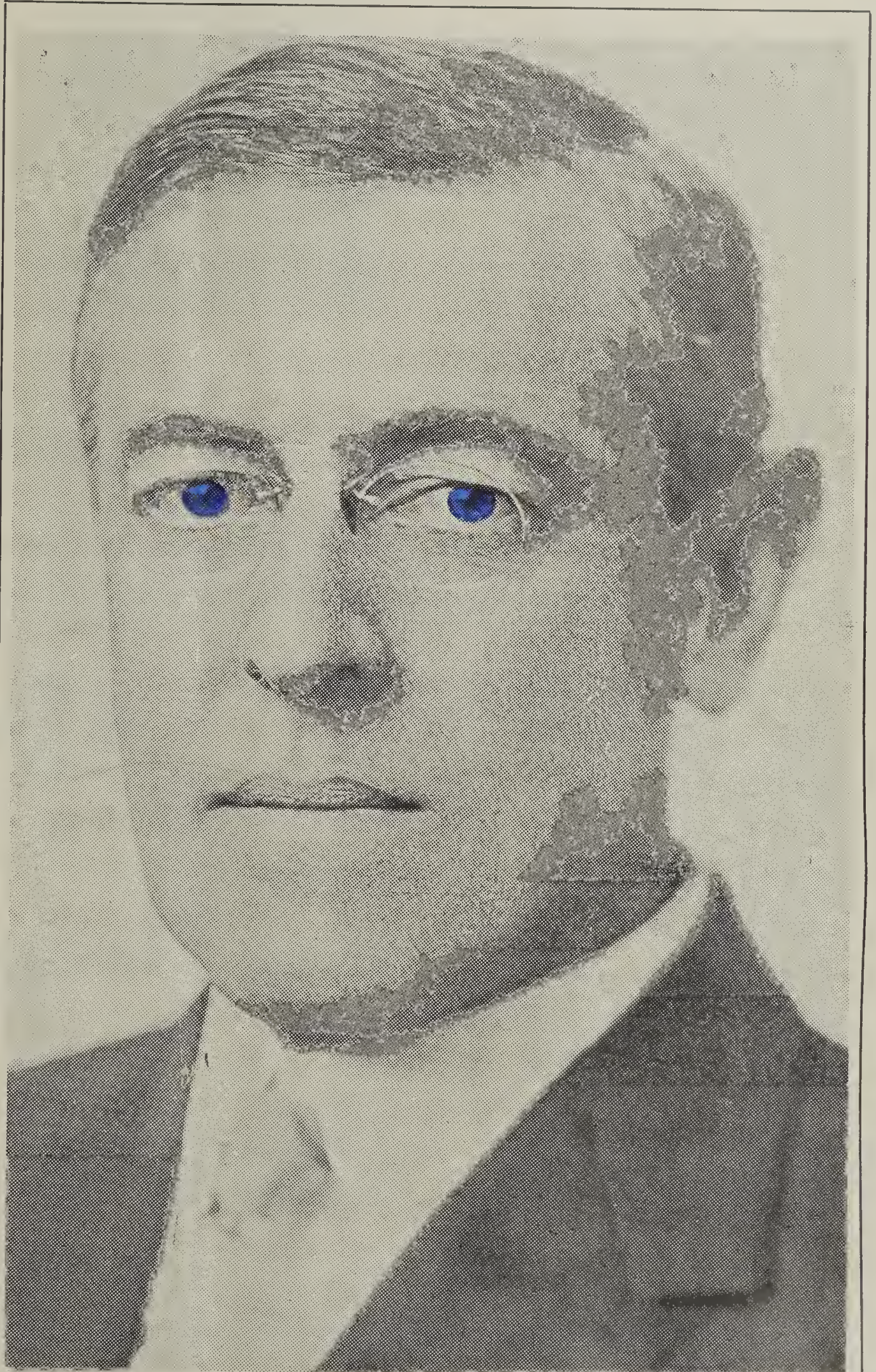
Henry S. Henschen, cashier of the State Bank of Chicago, says:

"I do not believe that the election of a democratic president will hurt the business of the country any. I think that the democrats will be inclined to be conservative and not pass any legislation of a detrimental tendency. I am of the opinion that business is on such a firm basis that it will not be disturbed. At any rate, present prosperity should continue for at least six or eight months. It is possible that President-elect Wilson may call a special session of congress in March. Of course, it is difficult to predict as to this. I do not believe that the democrats, however, will do anything which will prove prejudicial to the present good times."

STOCKYARDS SAVINGS BANK

The Stockyards Savings Bank of Chicago has increased its dividend rate to 12 per cent per annum by the declaration of a dividend of 3 per cent for the last quarter.

Nelson N. Lampert, vice-president of the Fort Dearborn National, returned to the city this week from Excelsior Springs, Mo.



WOODROW WILSON
President-elect

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

OFFICERS

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Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



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OUR FUTURE ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

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ROLLIN P. GRANT - - - Vice-President
WILLIS G. NASH - - - Vice-President
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HARRY E. WARD - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, JR., - - - Assistant Cashier
J. FRANKLYN BOUKER - - - Assistant Cashier
SAMUEL REDFERN - - - Assistant Cashier

Mainly About Banks and Bankers

WE know a fellow who has been carrying around a lot of Canadian coin ever since the Detroit convention. He's afraid to try to spend it lest the cops working on the New Westminster (B. C.) bank robbery hear about it.

IT was poor arithmetic and perhaps just as poor politics for the moosers to continue to advertise that a vote for Deneen was half a vote for Dunne, while the republicans were charging that a vote for Funk was half a vote for Dunne also.

CAN'T you see the argument implied:—all democrats giving Dunne a full vote and everybody else giving him half votes made it a cinch prediction.

THE Turk paused only for a moment on his way in from Saloniki to remark that "its hard to beat four kings."

SO the McNamaras from their cells in San Quentin are plotting the death of the boss detective, Wm. J. Burns. Really they didn't get the right sentence.

THE Kirby private bank which failed in Chicago on Saturday last creates a new record for such affairs in this city. There were found in the safe, in actual money, \$206. For this the "proprietor" was sent to a sanitarium.

THE copper said "He's crazy, sure. No private banker in his right mind would leave any money in the safe when he could just as well take it with him."

J. W. HOOPES of Galveston, secretary of J. Texas Bankers Association, is right glad that we "furnished the country address of G. M. Reynolds so that new arrivals might be reported direct."

IT was a girl and is named "Wilfreda Hoopes" after J. Wilfred, the papa. You know now why everyone in Texas calls him "Fred" Hoopes—it's a part of Wil-Fred—see?

MR. HOOPES wrote: "I appreciate the copy of your great religious weekly, giving in advance Mr. Reynolds' address, so there was no delay in my notifying him promptly."

MR. REYNOLDS is home, got in in time to vote and is "feeling fine." Was at the bank bright and early on Wednesday morning and wishing the new president well.

"THE PENNSYLVANIA BANKER" is the latest of the new ones. It is published in Philadelphia.

DEATH of Eugene R. Hallett, member of the firm of Louis Sloss & Co., San Francisco, is announced. He was an important figure in Pacific Coast financial affairs.

F. W. ELLSWORTH is of the analytic type. He reasons from cause to effect. When asked about the detail of the big railroad wreck in which Fred's car was about the only one not smashed up, he sat down and carefully prepared this:

"THE accident occurred a few miles west of Middlepoint, Ohio, on a level track, and it is difficult to understand what could have been the cause. Incidentally the Cubs won six to five that day."

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

Will Buy a Bank

An experienced Illinois banker will purchase substantial interest or control of either State or National bank in territory tributary to Chicago. Answers in confidence. Abundant references. Prompt replies. Address

B. B., Care of Chicago Banker
407 Monadnock Block CHICAGO

J. N. DOLLEY as banking commissioner has issued, under his "Blue Sky" law, only 83 licenses to sell securities out of 1500 applications. Some supervision about that.

S. W. STRAUS tells us that interest on money has decreased steadily, until some ten years ago it reached its lowest point. At that time, some railroads and municipalities were able to borrow money on bond issues at as low a rate as 3½%, and sell these bonds to investors at par.

HE calls attention to the fact that during the last few years there has come a reaction. The increased cost of living, the increased demand for capital, and the increased supply of the world's gold, have caused interest rates to increase again. Now, 4% railroad bonds of unquestionable safety are selling well below par. Four and a quarter per cent bonds of New York City are a fraction above 99.

OTTO J. KRAMPIKOWSKI figures that bank clerks waste or destroy on an average five cents worth of stationary per day. They

use envelopes and letter heads instead of scratch pads, etc.

"THE FIRST NATIONAL BANK of Wilburton, Oklahoma, failed and the national bank inspector found a shortage of \$56,646.06. The bank was considered one of the strongest and safest in that county."

"THE officers were considered the most substantial business men in town; now, it failed and the poor labor depositors' life's savings are exhausted. Compare this to the guaranty state banks of Oklahoma, and decide for yourself which bank is safest for you to deposit your money in."

ABOVE two paragraphs are from the "Sallisaw Star" and show how public guaranty sentiment is kept alive in Oklahoma by the newspapers.

E. G. McWILLIAM of the savings bank section is keeping after the campaign of education feature passed upon at Detroit.

IN Illinois the work is in charge of President Jos. R. Noll of the North West State bank and vice-president of the section for Illinois. Get in touch with him.

THE plan will be to first educate the public in the necessity for thrift and the elimination of extravagance, the start to be made by seeking the establishment of the school savings bank in every city of any size, supplementing same with educational advertising individually or by communities, together with any other methods which, in the judgment of the committee, will be most effective among the people.

MIKE A. BRIGHT and other stockmen are organizing a new bank at the National Stock Yards, East St. Louis.

EDWARD R. TINKER, JR. of Rhoades & Co. has been elected a vice-president of the Chase National bank of New York. He succeeds Albert H. Wiggen, who some time ago was advanced to the presidency of the institution.

SHIPMENTS of currency like prosperity "follow the flag." As Chicago balances increase so must the shipments in crop times.

AT Scutari the Turks again decided it was time to scoot.

THROUGH Miss Editor Riddle of the Texas Bankers Record we are pleased to know that Texas bankers appreciate any courtesy paid Ex-president Hamby. They're a loyal crowd from the Oklahoma line clear to the gulf.

FRANCIS MORRISON, the Cleveland expert, has sent out a booklet showing interior views of the factory where he dopes up the bank ads.

PRESIDENT JOHN D. PHILLIPS of the Illinois Bankers Association has appointed his committee on agriculture, with B. F. Harris chairman, W. G. Edens secretary, and with Shuman, Ward and Gridley to complete the number.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. S. BISHOP, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

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DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
J. F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
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FRANK W. SMITH, Cashier
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J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
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UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

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Clarence Buckingham
Edward A. Shedd
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Charles H. Hulburd
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

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**WE BOOST YOUR BUSINESS AS WE
BOOST OUR OWN. OUR SERVICE
TO YOU MEANS BETTER SER-
VICE TO YOUR CUSTOMERS**

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Woodrow Wilson Well Prepared for the Presidency

THE CHICAGO BANKER began to be for Wilson three years ago when he delivered his wonderful address to the delegates of the American Bankers Association convention in Denver. No speaker ever so impressed bankers so well and in every poll of bankers, prior to the election, Wilson was a winner by a large plurality. There is some pride, then, in presenting a summary of Governor Woodrow Wilson's strong equipment to give the American people an administration rivaling any in history. Woodrow Wilson has been schooling himself, perhaps unconsciously, but nevertheless carefully and studiously, for forty years for the exalted office he will assume on March 4th next. There has never been a closer student of American political affairs since Hamilton and Madison. There is nothing about Congress or the White House that will take him greatly by surprise. At the age of twenty-nine he had written a college thesis that showed him to be even at that time one of the keenest analysts of the national legislature the country ever had. And in later years he turned his sharp scrutiny upon the White House and wrote the most informing and illuminating treatise of the powers and limitations of the president that has ever been published.

Aside from these special investigations, his whole life has been a long and exhaustive study of the American people in their social and political relations, as, indeed, were those of his forebears.

His grandfather, James Wilson, was born in Ireland. He emigrated to America about a century ago and settled in Philadelphia. This city was the capital of the United States at that time. One of the leading Philadelphia papers of that period was the "Aurora," Thomas Jefferson's personal organ. James Wilson, being a printer, obtained employment on the "Aurora." Also being a hard-working, thrifty man, he acquired ownership of the paper and became intimately acquainted with Jefferson.

But the rapidly growing West began to cast its spell over James Wilson, and accordingly, in 1820, or thereabouts, he moved to Steubenville, Ohio, where he founded the "Western Herald." He soon became a power in the Democratic party in Ohio, and was known throughout the state as "Judge" Wilson.

Father Began His Career As a Teacher

It was here, amid these surroundings of hardy and vigorous pioneer life, that Joseph R. Wilson, the father of the president-elect, was born and grew to manhood. Joseph R. Wilson began his career as a teacher, first in an academy, then in Jefferson College, then in Hampden-Sydney College. His natural taste, however, was for the ministry, and after careful preparation he stepped into the Presbyterian pulpit. About this time he married

Has been a lifetime student of government and history and their most noted and successful teacher. Duties and powers of the president and of the co-ordinate branches of government completely understood

Janet Woodrow, daughter of the Presbyterian minister at Chillicothe, Ohio. She has been described as a remarkably pretty and charming woman. She was born in Carlisle, England, but her father came to America when she was but a few days old.

Woodrow Wilson was born in Staunton, Va., in 1856. It was during Christmas week, and the cheer of that occasion has never left him. He will be the eighth occupant of the White House from the Old Dominion.

About two years after Woodrow Wilson's birth, his father accepted a call to the pastorate of the Presbyterian Church of Augusta, Ga. This was at that time one of the most influential congregations in the South and the elder Wilson remained as its pastor throughout the Civil War. He was recognized as one of the leading divines of the South.

The elder Wilson did not force the education of his son. He took him on journeys about the city, visiting factories and explaining to him how cloth is made. He also read to him by the hour.

But the boy himself did not learn to read until long after the average age when children are supposed to read. This is rather remarkable when one thinks of the omnivorous appetite for books the president-elect has always had. But when he did learn to read he more than made up for lost time. He is, at the present time, one of the most widely read men in this or any other country.

In the autumn of 1870, the Wilsons moved to Columbia, S. C., and three years later Woodrow, who was then seventeen, began his scholastic career at Davidson College.

Wanted to Be Authority on Government

He devoted all his energy and every faculty he possessed to the furnishing and training of his mind to the end that he might be an authority on government and history of government and be a leader in the affairs of his country. No man ever subjected himself to sterner discipline or worked more steadfastly toward a fixed goal. He first taught himself to write shorthand in order that he might make rapid digests of what he read and heard. He also practiced composition assiduously and extemporaneous speaking that he might be skilled and ready in offhand debate.

In September, 1875, Woodrow Wilson entered the freshman class at Princeton. There were 133 young men in the class. Before the

war Princeton had been the most favored northern college by the young men of the South, but after the war their numbers began to fall off, and at the time Woodrow Wilson enrolled only a few of the students hailed from south of the Mason and Dixon line.

The next president is a man who instinctively balks at doing things simply because they have been done before. From his earliest youth he has insisted upon his own personality and individuality. At the time he entered Princeton that institution was just one of the educational mills. Young Wilson refused to sit snugly in the groove and be ground out. He had not been at Princeton long before he found out just what he wanted to do. And that thing was to be a public man; to devote his life to the service of his country.

This determination came with a thrill upon reading in an English magazine a series of articles on the British parliament, presenting in graphic language the dramatic scenes enacted in the British legislature. He never forgot the picture. He hunted up everything in the library he could find bearing upon this subject, and devoured it, and from that day to this has never wavered in his determination to play an active part in the stirring scenes on his country's political stage.

Mr. Wilson began his preparation at once. He subordinated his regular college work to the task of fitting himself for public life.

In those days he was not remarkably ready in extempore speaking. To-day he is without a peer in the nation in the art.

During the first year at Princeton Wilson joined "Whig Hall," the literary debating society founded by James Madison, who also wrote its constitution. Its rival society at Princeton was "Clio Hall," and the annual Lynde debate and extemporaneous discussion, the subject to be given to the debaters a few minutes before the debate was to begin, was the biggest thing in a literary way at the college. Young Wilson very soon established himself as the leading spirit of the "Whig Hall" society and was easily its best debater. To win this annual debate, in which three representatives from each of the two halls participated, was the thing that Wilson coveted most. Each hall selected its debaters by a preliminary contest within its own society—also an extemporaneous affair.

On the evening of the preliminary contest the subject was "Protection vs. Free Trade." The debaters took sides by lot. Wilson drew the "protection" side from the hat, tore up the slip and returned to his seat. He said nothing under heaven could induce him to advance arguments for a thing in which he did not believe. Lynde prize therefore went to some one else.

Wilson did not shine with any great effulgence in his regular college course. He stood forty-first in a class of 122. This was the fa-

Total
Resources
\$16,000,000

CITIZENS NATIONAL BANK
OF BALTIMORE

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

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FRANK M. DUSHANE
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The Fourth National Bank Of the City of New York

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Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00

mous class of '79, one of its members being Mahlon C. Pitney of the Supreme Court bench.

His Article on Congress Starts Public Thought

About this time his natural aptitude for leadership began to crop out, and before his first year was over he was universally recognized at Princeton as the leading freshman and one of the master spirits of the entire student body. He later became managing editor of the "Princetonian," and when he was graduated his classmates looked to him to rise higher than any of them. While at Princeton he wrote a searching article on Congress, which at once stamped him as a youth of extraordinary caliber. This article was published in the International Review and in it the young Princetonian pointed out that most of the legislative business of the nation was carried on by small committees behind closed doors. This was the first time the matter had ever been brought home to the people of the country and it started them to thinking.

Wilson made the point that the nation's business ought to be done in the open, ought to be thrashed out in public discussion. Even at that early day he lifted his voice against secrecy. He declared that was the atmosphere in which evil and corruption flourished and that the only remedy was publicity.

After leaving Princeton Woodrow Wilson went to the University of Virginia, that great institution of liberal learning founded by Thomas Jefferson. He spent a year there studying in the law department under the able guidance of Dr. John B. Minor.

At the University of Virginia Wilson was also a leader. He took a more active interest in sports; joined the glee club; he organized a debating society and easily won both the writer's and the orator's prizes. Here also he acquired the reputation of being a great joker. He composed nonsense rhymes and limericks with wonderful facility. And to this day he is fond of a witty limerick.

In this love for wholesome nonsense and his keen, dry humor, Mr. Wilson is very much like Lincoln. He further resembles the great liberator in his perfect simplicity and his democracy.

Young Wilson had taken up the study of law, recognizing it as the most direct avenue leading to a public life. As soon as he had completed his studies at Charlottesville, he went to Atlanta to launch his legal career. He joined partnership with a young man who also had just completed his college work. Renick was his name, and the shingle of "Renick & Wilson" was swung out at 48 Marietta Street.

Gives Up Law, Returns to University

But the young men were strangers in Atlanta. Moreover, there were many lawyers there and moreover again, nearly every one had a relative practicing law.

However, it wasn't so sad as one might think, this waiting for clients to turn up, because, while he is the waiting kind, he invariably works while he waits. And so he found

time to elaborate the article he had written while at Princeton, into a book. But he was unable to find in Atlanta the facilities he needed to complete the volume, so in the autumn of 1883 he entered Johns Hopkins University and took up a course in history and political economy under the late Herbert B. Adams and Dr. Richard T. Ely.

In making his investigations Wilson desired nothing but the facts. His researches were prodigious and Ambassador James Bryce found him of great assistance while he was compiling his "American Commonwealth." The result of Wilson's two-year work at Baltimore was his book, "Congressional Government: Study of the Government by Committee."

It was the first account ever given of the way Americans actually do govern themselves. The book met with instant success. It was at once recognized as a final, standard work, and is so recognized to-day.

After receiving his degree at Johns Hopkins, Dr. Wilson was called to a professorship in the new college for women at Bryn Mawr.

However, he took advantage of his vacation that summer to journey to Savannah, Ga., and marry Miss Ellen Louise Azson, the daughter of a long line of Georgia clergymen. In the autumn the young professor and his bride started housekeeping in one of the prettiest towns along what is called the "main line" out of Philadelphia.

The trustees of Princeton, finding the chair of jurisprudence and politics vacant in the autumn of 1890, at once turned to the now distinguished alumnus of Old Nassau and offered him the chair. He accepted with pride and joy.

A Railroad Bond to Net 5.65%

We own and offer a railroad bond secured by mortgage on about 1,381 miles of railroad, comprising an important system. The entire bonded debt of the company is at the rate of less than \$38,000 per mile, while this issue is followed by bonds and stocks having a present market value of over \$29,000,000.00.

For the last fiscal year surplus after all fixed charges amounted to over \$1,600,000, against over \$1,200,000 for the previous year.

Ask for circular S-824

Guaranty Trust Company of New York

27 Nassau Street

Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000

Becomes the President of Princeton

For the next twelve years, 1890 to 1902, Dr. Wilson lectured to his classes at Princeton, worked on his history, "A History of the American People," and added daily to his reputation at home and abroad. Princeton had never before seen anything like his classes. His lectures were so popular that nearly every student wanted to take his course. It was a daily occurrence for the members of his class to rise to their feet at the conclusion of his lecture and cheer him to the echo until he had passed out of hearing. In 1902 Dr. Wilson was elected president of Princeton. A change was sadly needed in the administrative affairs of the university and the trustees recognized Dr. Wilson as the man to effect it. But he had hardly assumed his new office before he found himself confronted with a situation that was most trying to him.

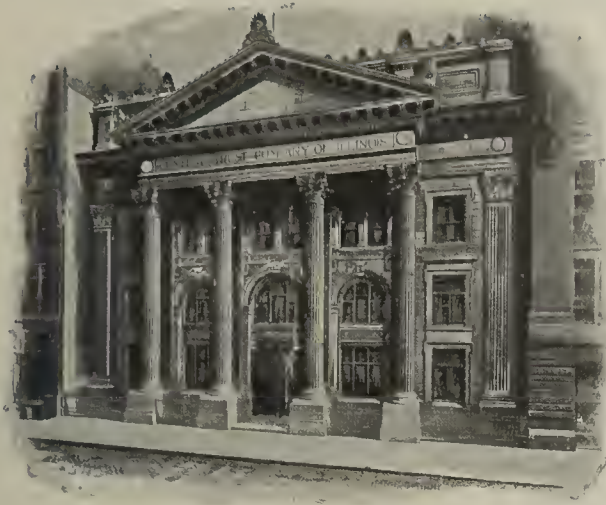
Princeton had been called a country club for rich men's sons. However much or little it deserves this appellation, the fact remains that it possesses more exclusive clubs than any other great institution in the country. There is a whole street of them and yet their total membership is confined to 350. These clubs are composed exclusively of the two upper classmen. This caddish aristocracy, abhorrent to the American spirit and equally abhorrent to President Wilson had flourished at Princeton for years until that institution was little more than a lounging place for the gilded sons of the rich. Dr. Wilson went in to change the whole thing. He proposed the establishing of the students on quadrangles and "Quads," each one to be composed of a certain number of students from each class, together with preceptors. In other words, he tried to inject democratic spirit into the university life.

But his efforts went for naught. An old graduate of Princeton died and left the college \$3,000,000 for a Graduate College, to be built away from the main building, just as the other donor had wished, and because the man was dead his wishes had to be obeyed and President Wilson was defeated.

Is Elected Governor of New Jersey

But his splendid stand for democracy and work at Princeton was not overlooked by the people of New Jersey, and so they called him away from the irksome affairs at the university to be their governor, and thus launched him upon a political career which for brilliance and rapidity of fine achievements is unparalleled in this country. Mr. Wilson was elected governor of New Jersey by a plurality of about 50,000. The platform on which he ran contained much that is called radical and up to this time the governor had been regarded as conservative. But he stood square on the platform and dedicated all his energies and abilities to the carrying out of every pledge contained in that platform.

As a natural consequence he at once found himself opposed by the reactionaries in the legislature, members of his party as well as others. But the masterful manner with which



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Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

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the new governor held the legislators to the party pledges in spite of everything they could do affords one of the most interesting chapters in American politics.

The most serious clash between the will of the governor and the will of the reactionaries in the legislature was over the primary election law, commonly called the Geran act.

Those who have kept an eye on New Jersey politics will recall the dramatic, although quiet, entrance of Governor Wilson into the caucus of the Democratic members of the legislature who had gathered to perform the last sad rites over the Geran act and tenderly lay it in its grave. The governor listened to the funeral speeches of the various members until they had all had their hearing and then he took the floor.

With not even so much as a note by which to guide his thoughts, the governor talked to those lawmakers for three hours. Those who were present say they will never forget that occasion. In even, conversational tones, but with a vibrant, persuasive quality in his voice that thrilled every one, the governor talked the members out of their position and the bill was reported favorably, and thus New Jersey has an election law as advanced as any state in the union.

In all his conflicts with the Democratic members of the legislature, Governor Wilson simply reminded them of the pledges contained in the platform on which they secured their offices, and that it was not their will but the people's they were there to carry out.

If this argument did not suffice to bring them into line, he would offer to go with them into their respective districts and debate the matter before their clients.

Many Reform Measures Are Passed

After coming in contact a few times with such a will and character, the recalcitrant members threw up their hands and told the governor to go as far as he liked—they would oppose him no further. Then the New Jersey legislature, mastered by its governor, proceeded to enact reform measure after reform measure, and before it had concluded its first session under Governor Wilson, it enacted into law such progressive measures as the Corrupt Practices Act, the Employers' Liability Act, a most excellent Public Utilities Act, a Municipal Commission Government Law, which gives any city in the state the right to adopt a commission form of government if it so desires; and the Sterilization or Anti-Procreation Act.

But the fight the governor had with the reactionaries in the legislature was as nothing compared with the one he had with the big bosses as soon as he crossed the personal ambition of Senator James Smith, Jr.

The latter was the biggest bi-partisan boss in the state. He had represented New Jersey once in the United States senate and he wanted to do it again. In the state primary election, however, James Martine had received a large majority of the votes in the state. Smith's name was not on the primary ballot. He had neglected to put it there, thinking that when the time came for the legislature to elect a senator all he would have to do would be to notify that body that he desired to go to Washington and the thing would be done.

But again the governor stepped in with his masterful will. Again he reminded the legislators that the people, at least a majority of them, had bespoken a preference for Martine, and there was nothing for them to do but to ratify the will of the people.

Proclaimed by Admirers for the Presidency

Seeing the attitude of the country toward their favorite, the admirers of Governor Wilson stood up and yelled, "What's the matter with Wilson for president?" The echo of that query spread throughout the nation and encouraging answers began to come back on the echo. And so his candidacy was launched. Dr. Wilson was essentially a young man's candidate.

Many of the old line Democrats opposed him before the Baltimore convention, and leaders, as well as would-be leaders, in his party went to great lengths to defeat his nomination. But his nomination once attained, harmony settled upon the party, all factions became reconciled and worked as a unit for his election.

The president-elect has three daughters—Miss Eleanor Randolph Wilson, Miss Jessie Woodrow Wilson and Miss Margaret Woodrow Wilson. These young women, like their father, are simple in their manners and tastes. They are skillful tennis players and horsewomen, and are exceedingly popular among their associates. They have no great fondness for formal society, nor for the limelight. They are modest, amiable, bright young women, who are thoroughly convinced that their illustrious father is "the grandest man in the world."

SAVINGS BANKS OF THE UNITED STATES

Comptroller of the Currency Murray has just had compiled from returns submitted as of June 14, 1912, statistics relating to deposits and depositors in the savings banks of the country.

Special interest attaches to the reports of operation and condition of savings banks, their deposits being chiefly the accumulations of wage earners. The present year's reports from these institutions indicate a large increase over the previous year in savings deposits and in the number of depositors.

The savings banks reported are of two classes; mutual, or those without capital stock, and stock savings, the latter class transacting both a savings and a commercial business. Practically all mutual savings banks are located in the manufacturing centers; that is, in the New England and eastern states, while stock savings banks are in operation in nearly every state in the Union.

Savings bank reports to the number of 1,925 have been tabulated, 630 being from mutual institutions, and 1,295 from stock savings banks. Deposits in these banks aggregate \$4,450,822,522 and the depositors number 10,009,804, the average deposit account being \$444.64. Savings banks reporting in June, 1911, numbered 1,884, with deposits of \$4,212,583,598 to the credit of 9,794,647 depositors, the average deposit account being \$430.09. While there has been an increase of only 41

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OF PHILADELPHIA, PA.

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Capital - - - \$2,000,000.00

Surplus and Profits 1,468,000.00

Deposits - - - 15,397,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier

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ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

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Capital - - - \$ 1,500,000

Surplus and Profits (earned) 2,270,000

Deposits, over - - - 25,500,000

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in the number of banks reporting, deposits have increased by over \$238,000,000 and depositors by over 215,000, the increase in the average deposit account being \$14.55.

The following statement shows the number of savings banks reporting, number of depositors, aggregate deposits, average to each depositor, and average per capita in the United States, for the years indicated.

Year	Number of Savings Banks	Aggregate Deposits	Number of Depositors	Average Due Each Depositor	Average per Capita in U. S.
1908	1,453	\$3,660,553,945	8,705,848	\$420.47	\$41.84
1909	1,703	3,713,405,710	8,831,863	420.45	41.75
1910	1,759	4,070,486,246	9,142,908	445.20	45.05
1911	1,884	4,212,583,598	9,794,647	430.09	44.82
1912	1,925	4,450,822,522	10,009,804	444.64	(a) 46.52

(a) Population estimated by government actuary 95,656,000 July 1, 1912.

CONCENTRATION OF BANKING POWER

New York, Nov. 5th.—The report of negotiations for the merging of the Mechanics and Metals National Bank and the Bank of New York, which has also become a national banking association, with the Fourth National, whether the contemplated consolidation is to become an accomplished fact or not, is indicative of the tendency to a concentration of banking power, especially in this financial center. It may be alarming to those timid souls who are suspicious of a devouring "money trust" lurking in the purlieus of Wall Street, but it is in keeping with the developments of the time, which require the transactions of business on a large scale. The Fourth National has maintained an exceptional independence and been more than most large banks confined to a strictly commercial banking business, and there will be advantage in an increased capital which will enable it to make larger loans in competition with other institutions that are more given to the support of great combinations.

The tendency to concentration is inevitable, and, while it will increase the banking power under a single control, it has unquestionable advantages for the business interests of the country as a whole. There is a certain weakness in a multitude of small independent banks, which

makes effective supervision difficult, and the policy of permitting national banks to establish no branches is of doubtful wisdom. It does not prevent the same men from controlling different banks and exercising a divided responsibility. If such control were in one institution with branches, the power could be better regulated and supervised. Canada has an excellent banking system, of which practically no complaint is heard. No bank can be organized with less than \$500,000 capital, but branches may be established anywhere in the Dominion, with a certain apportionment of capital. The number of central institutions has been reduced to about thirty in the whole country, while capital and the number of branches have been steadily increasing.

The process of concentration is likely to go on in the chief financial centers of this country, though small banks continue to multiply. That furnishes one reason for a reform of the system which will unify it, with some general form of association from the members of which a certain power of control may emanate and be exerted upon a central agency, of service to all, instead of having it arrogated to such an extent in the hands of separate institutions or a combination of them which can exercise a power without responsibility except to their own directors. What is now characterized as the "money power" and made an object of suspicion has developed from the need of a concentration which is not otherwise provided for and placed under control.

NATIONAL CITY BANK LETTER

According to the National City Bank of Chicago, the grain movement of the Western states this year has been of the highest importance and insures for the West and Southwest a greater prosperity than the country dared hope for before the authoritative figures as to the year's new crop were given out. The crops also have been so abundant and the demand for money has been so much broader that the banks today are finding it necessary to fortify their cash holdings and strengthen their reserve position. "During the balance of the year, therefore," says the bank in the monthly circular just issued, "money rates

will probably rule firm both in this country and in Europe."

Concerning the fundamental strengthen of this country at the present time the bank says: "A rather extraordinary indication of the basic strength has been afforded by the ease with which the American markets have bought back the securities recently sold by Europe. The totals of such sales have been variously estimated at from \$30,000,000 to \$40,000,000, and from recent developments in Wall street it would seem as if the larger figure were nearer the truth. Had the market a year ago been asked to absorb such a volume of securities there would have been almost certain demoralization. The satisfactory outcome of the operation shows that there was a general belief in the integrity of such investments and in the prospects of continued prosperity."

"PRIVATE" TRUST COMPANIES TO HANDLE LARGE ESTATES

Considerable interest is manifested in the manner in which trust companies have been organized specifically to take charge of large estates. Andrew Carnegie has organized the Home Trust Company, which is located in Hoboken, N. J., and managed by R. A. Franks. This institution is devoted solely to the administration of the Carnegie properties and investments. It attends to disbursements and all financial details growing out of Mr. Carnegie's large endowments.

A similar company is the Westminster Company, which is generally known as the "Green Trust Company." All of Mrs. Hetty Green's financial and realty operations are conducted through the medium of the Westminster Company. The Green family is owner of a large number of shares of the Columbia-Knickerbocker Trust Company, Seaboard National Bank and the Chemical National Bank.

State Banking Commissioner William H. Smith of Pennsylvania has issued a call for condition of state banks and trust companies, as to condition of business, November 2d.

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depositary



Capital	-	-	\$2,000,000
Surplus and Profits,			700,000
Deposits	-	-	31,000,000

WM. A. TILDEN, President
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 THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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Capital and Surplus, \$1,000,000

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HULBERT SEES NO CAUSE FOR ALARM IN WILSON'S ELECTION

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company, when interviewed this week concerning the election of Governor Wilson to the presidency, said:

"I do not believe that the business interests of the country need have any apprehension as a result of Governor Wilson's election. It had been expected for some time that the democratic party would be successful this year, and if there had been any misgivings on the part of the business interests of the country it would have been manifested previous to this time. If the democrats do pass any legislation which will hurt the business interests, it will be something which is totally unexpected."

BANKERS TO DISCUSS BILLS OF LADING LEGISLATION AT ASSOCIATION OF COMMERCE MEETING

At a meeting of the members of Subdivision II, banks and bankers, Chicago Association of Commerce, held on Wednesday of this week at the LaSalle Hotel, it was voted to ask Chairman Gore of the ways and means committee to provide a program that will be of interest to the banker-members of the Association of Commerce, at some ways and means committee meeting in the near future. Chairman Gore responded to the members of the bankers' committee that they could have next Wednesday, November 13th, and it was decided to discuss the subject of bills of lading legislation. Chairman W. G. Edens of the

bankers committee was appointed to invite Clay H. Hollister, vice-president and cashier of the Old National, Grand Rapids, Mich., and chairman of the bills of lading committee of the American Bankers Association, and J. F. Hagey, assistant cashier of the First National of Chicago, to make addresses at the next regular Wednesday noonday luncheon at the LaSalle Hotel, November 13th. There are about 160 Chicago bankers who are members of the Association of Commerce, and it is intended that non-member bankers shall also be invited to this luncheon as the guests of the member-bankers. The committee consists of W. G. Edens, assistant secretary Central Trust Company of Illinois, chairman; W. G. Schroeder, vice-president of the Continental and Commercial National, vice-chairman; Henry Henschen, cashier of the State Bank; L. H. Grimme, cashier of the National City Bank, and H. R. Kent, cashier of the Fort Dearborn National.

Mr. Hollister has been at the head of the bills of lading committee of the A. B. A. for a number of years and is well qualified to present the subject. Resolutions endorsing the Pomerene Bill as it passed the senate were adopted by the American Bankers Association in convention at Detroit after the report by Mr. Hollister as chairman of the bills of lading committee. Mr. Hollister is an experienced and capable banker, a forceful speaker and thoroughly familiar with the subject as it has been presented to the congress of the United States. Mr. Hagey is a lawyer connected with the First National and will handle the subject in an attractive manner.

As the railroads are greatly interested in this subject, a special effort will be made to

induce the railroad members of the Association of Commerce to attend this meeting. It is understood that an effort will be made to have the Pomerene Bill, which passed the senate, taken up by the house at the short session of congress, which will convene in December, and an organized attempt made to pass this bill, or such a bill as may be agreed upon by the interstate commerce committee of the house. The general use of bills of lading for banking and financial purposes has made it imperative that there should be some national legislation on this subject, and no other subject in which bankers are interested seems to be so favorably before congress. Consequently it is deemed advisable to push this matter, which it is hoped will receive favorable consideration.

NEW ISSUE BY HARRIS TRUST

The Harris Trust and Savings Bank is offering investors, to net approximately 4.90 per cent, \$150,000 Montreal Tramways Company first and refunding mortgage 5's. These bonds mature in 1941 and are in denominations of \$500 and \$1,000. They are optional, however, at 105 and interest on any interest payment date.

Local bond houses are selling and offering investors more and more of the public utility securities of Canadian cities. The market for such securities to the present has been somewhat limited in this part of the West, but it is said the bonds are looked upon with great favor by investors. Management of Canadian corporations is considered excellent as a rule, and governmental restrictions favor the investor.



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.



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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

The best of business feeling prevails over the state and in spite of the fever heat of excitement which some localities experienced during the campaign, there is a general idea of prosperity and of good times to follow. There has never been a period when the business of the country was on a better basis than it is at the present time and with the corn fields of Illinois yielding a large crop there is every indication that the best of business conditions will be experienced with the coming of the Christmas season and throughout the winter months.

Bank Robbery at Cheneyville

The Bank of C. C. Harlan and Company of Cheneyville, a few miles east of Hoopeston, was entered by blow-up men who were, however, fortunately frightened away before they secured any booty, although they blew the outer door off the safe. The theft of a horse and buggy in the neighborhood probably explains their escape. Cheneyville, in northern Vermilion county, is but a few miles from the villages of Stockland and Goodwine, in Iroquois county, where burglars have also visited the banks. That neighborhood seems to have had more than its share of calls from yeggmen recently.

Some Good Bank Advertisers

The Farmers National of Springfield is one of the good advertising banks of Illinois. With deposits of \$2,250,000 and with resources of \$2,850,000, the Farmers National is one of the strong banks down state. George E. Keys, one of the assistant cashiers, is well known to Illinois bankers and especially to those who attended the convention of the Illinois Bankers Association, held in Springfield in 1911, as he was then active in the entertainment of visiting bankers.

The First National of Kankakee, of which bank K. Len Small is the president, is also a good advertiser and savings accounts are especially emphasized. The bank now has 4,000 savings depositors and asks the newspaper reader, "You intend to save—Why not begin this week?"

Thirty-seven Years in One Bank

M. W. Busey, president of Busey's Bank of Urbana, observed Friday, November 1st, as the thirty-third anniversary of his purchase

of a partnership in the bank of which he has been president for many years. As he had been with the bank for four years previous to acquiring a partnership, Mr. Busey has spent thirty-seven years in one bank in one town. In all these years his office hours have been close and his vacations short. Mr. Busey has attended many of the national, state and group conventions of various bank associations and is widely acquainted with Illinois bankers. He has served as a member of the executive council of the Illinois Bankers Association.

Wheeler to Speak at Peoria

Harry A. Wheeler, vice-president of the Union Trust Company of Chicago, has been secured to address the Peoria Association of Commerce December 9th, according to an announcement by Douglas H. Berthard, chairman of the ways and means committee of the Peoria body. Peoria bankers and business men are fortunate to secure the services of Mr. Wheeler, and one thousand business and professional men will hear the address and will attend the banquet to be held in connection with it.

Mr. Wheeler, besides being a prominent Chicago banker and having served the Chicago Association of Commerce as president, is now the president of the Chamber of Commerce of the United States, which was organized by President Taft last March in Washington.

John R. Trevett

John R. Trevett, vice-president of the Trevett-Mattis Banking Company of Champaign,

was elected a trustee of the University of Illinois on the democratic ticket at the election Tuesday, November 5th. There is a feeling of genuine satisfaction by all parties with the election of Mr. Trevett as he has been an able banker and business man for forty years, and is well qualified to aid in caring for the University. Mr. Trevett is another banker who has remained in one bank and in one locality for a business life-time, as he entered his bank when a young man as a clerk. Later he became a partner in the business and has been associated with his present partner, Ross R. Mattis, for twenty-five years or more. The business was established by the late A. C. Burnham in 1861, who was well known to the older bankers of the Middle West as an able investment banker. The Trevett-Mattis people occupy one of the most modern banking rooms in the state, recently erected and occupied.

Danville Banker Mourns Father

M. E. King, president of the Second National of Danville, is mourning the death of his father, Austin King, Sr. The deceased was more than eighty years of age and had resided at one street number in Danville for forty-nine years. He was a native of Ireland and came to America in 1847.

Death of Hillsboro Banker

Judge Edward Lane, vice-president of the

F. E. FARRELL, President	H. H. POTTER, Cashier
E. E. CRABTREE, Vice-President	M. W. OSBORNE, Assistant Cashier
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Write for the Investors' Magazine, which we publish twice a month in the interest of conservative investors, and for Circular No. 50.

S. W. STRAUS & Co.

INCORPORATED

MORTGAGE AND BOND BANKERS

ESTABLISHED 1882

STRAUS BUILDING, CHICAGO.

ONE WALL STREET, NEW YORK



Hillsboro National Bank, and prominent in the affairs of Montgomery county for forty years, is dead. Mr. Lane was elected county judge of Montgomery county in 1869 and served in congress from 1886 to 1892, inclusive. He was born in Cleveland, Ohio, and was seventy years of age.

Commercial Students Form Organization

The commercial students of the University of Illinois, including many of the young men taking various courses in commerce in that institution, have formed a club for the purpose of better acquaintance and for securing speakers of state and national reputation to address them. A number of bankers, manufacturers and business men will be invited to speak to University audiences under the auspices of the Commercial Club. John M. Glenn, secretary of the Illinois Manufacturers Association, will be the first speaker November 13th.

Work on the new Commerce Building at the University is being rapidly pushed to completion and the authorities expect to occupy the building about February 1, 1913. The University of Illinois is developing a department of business training of exceptional merit.

Hoosier Business Men to Visit Illinois

Members of the Indianapolis Trade Association will visit various towns and cities in Central Illinois, November 12th, 13th and 14th, when they will make a trade-boosting tour of a dozen of counties. The trip was originally planned for September but it was necessary to postpone it and the members say that they are glad that it was, as more men can take the trip now. Jobbers and manufacturers of Indianapolis are to compose the party.

They will leave Indianapolis on the Peoria division of the Big Four stopping at Danville, Urbana, Champaign, Bloomington and intermediate points, thence south to Clinton and Decatur and thence west to Springfield. From the capitol city of Illinois the Hoosiers will go south to Taylorville and Pana, and striking the St. Louis division of the Big Four will proceed eastward, stopping at Shelbyville, Mattoon, Charleston, Paris and intermediate points and proceeding into Indianapolis.

Indianapolis is rapidly becoming a competitor of Chicago for the business of Central Illinois and while the people of Illinois are of course more partial to Chicago yet the capitol

city of Indiana is making rapid strides as a banking, jobbing and manufacturing center.

Illinois Notes

The banks of Peoria closed November 5th, election day. Very few banks over the state closed that day, however.

Leslie Small, of the First National of Kankakee and a son of President K. Len Small of that institution, was recently married to Miss Grace Burrell of Chicago. They will reside in a new home in West Kankakee near the country home of the groom's father.

Newton C. Dougherty, formerly a Peoria banker and superintendent of the schools in that city for many years, is not out of trouble, although he has served a term in the penitentiary at Joliet for embezzlement. Mr. Dougherty recently went from Chicago to Peoria and gave bond of \$12,000, furnished by the National Surety Company of Chicago, on the charge of forgery on fifteen indictments.

The new bank at Muncie, a village near Danville, identified itself with its customers when the officers gave a public reception to the people of the community and talks were given outlining the relation of the bank to the community. This is the first bank for Muncie.

The Chicago and Alton Railroad Company states that the month of October was one of the banner months for their company in both

passenger and freight business. All railroads will be busy during the next three months transporting the corn crop and about the only shortage which bothers them is the car shortage. There will be no idle grain cars this year.

GEORGE M. REYNOLDS RETURNS FROM EAST

George M. Reynolds, president of the big Continental and Commercial National, returned to the city on election day. Mr. Reynolds has been in Atlantic City and in the East recuperating from his recent illness. He was back at his desk at the bank on Wednesday and was looking fine, as a result of his vacation. He was unable to vote in the election owing to the fact that he was ill on registration day. He states it as his opinion that the change of administration at Washington will not have any bad effect upon the present period of prosperity which the country is enjoying. Mr. Reynolds returned to Chicago via New York and his opinion is based upon what he learned there and what he knows of conditions here. He says that the prospect of a change in administration had not been looked forward to with any apprehension on the part of the business interests of the country. Congress, which will be controlled by the democrats, will not meet until December, 1913, so that even if the democrats were disposed to enact legislation prejudicial to present prosperity, such laws would not be passed for some time and in the interim the country would continue to enjoy the good times prevailing now. Mr. Reynolds, however, does not believe that the democratic congress will manifest any such an inclination. He says that next year, unless there is a crop failure, conditions equally as comfortable as those now prevailing will exist.

ALFRED GREENOUGH WITH KISSEL, KINICUTT & CO.

Alfred Greenough has become associated with Kissell, Kinicutt & Co. of this city and will have charge of the trading department.

BROKERS KEPT OPEN HOUSE

Among the bond houses that kept open election night was the firm of Hornblower & Weeks. Facilities were provided for the execution of orders in the London market.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The attitude of Milwaukee bankers on the recent election as concerning business conditions, both before and since Tuesday's developments, is well summed up in the Digest of Trade Conditions published a few days ago by the Second Ward Savings Bank, of which Joseph Uihlein, general manager of the Schlitz Brewing Company, is president. Says the statement:

"Within a few days the votes will have been cast which will decide who is to occupy the president's chair for four years. While each one of us is vitally interested in the outcome and each has his favorite among the candidates, it is reasonably sure that business will continue in its present healthy condition, regardless of which of the three candidates is successful. It might be that the election of one candidate over another would be better for general business conditions, but the effect would be merely a degree of prosperity, as prosperity is already assured us for some time to come.

"We have arrived at the threshold of the presidential election with constantly increasing business instead of the usual persistent dropping off from month to month just before the general election."

\$3,000,000 Capital

The increase in the capital of the First National Bank from \$2,500,000 to \$3,000,000, voted by the stockholders last July, went into effect this week. The increase in the capital,

together with the doubling of the \$500,000 surplus, gives the bank the largest working capital of any institution in the middle west outside of Chicago and with the exception of the Northwestern National and First National of Minneapolis.

Court Ruling Forbids Intervention

The Milwaukee branch of the federal court has denied permission to three stockholders in the Allis-Chalmers Company to intervene in the suit of the Continental and Commercial Trust and Savings Bank of Chicago to foreclose a mortgage on property of the company. The three stockholders concerned, Nathan Eiseman, William H. Timlin, and Walter Gold, charged that the proceedings were brought to crowd out small stockholders.

Gain in Bank Clearings

Milwaukee's bank clearings for October, according to Dun's report this week, show a gain of \$3,545,976 over those of October, 1911. The clearings last month totaled \$66,022,728, as against \$62,446,752 the previous year.

Oliver C. Fuller Honored by Country Club

Oliver C. Fuller, president of the Wisconsin Trust Company, was elected president of the Milwaukee Country Club at the annual meeting Monday night. Mr. Fuller was prominently identified with the building of the palatial new club house recently completed northwest of the city, on the upper Milwaukee river.

New Bank for Racine

A west side bank for Racine now seems assured, practically every business man in the district having expressed himself in favor of it and promised to subscribe for the stock.

Waldo to Have New Bank

Following the organization of a new state bank at Howards comes the announcement of a plan to organize a new bank at Waldo.

Will Erect New Building

The State Bank of Elkhorn has purchased the southeast corner of Walworth and Wisconsin streets as the site for a new building.

New Bank Organized at Thorp

A new bank has been organized at Thorp with a capital of \$30,000 and eighty-four stockholders. T. O. Mosher is president and George Burke, cashier.

Organize Merchants & Farmers Bank at Glenwood

The organization of the Merchants & Farmers Bank of Glenwood has been authorized. The capital is \$30,000. Charles Cornelius is president and John Hantzieber cashier.

Elect Officers

Newly elected officers of the State Bank of Howards are: President, August H. Witte; vice-president, George Zimmerman; cashier, August Frome, Jr.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

111 Broadway
New York

88 PEARL STREET, BOSTON

405 Dorchester St., W.
Montreal

Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

COMMITTEE APPOINTMENTS FOR ILLINOIS ASSOCIATION

It is understood that President J. D. Phillips of the Illinois Bankers Association has about completed his committee appointments. Of course, as Mr. Phillips stated at the convention of the Illinois Highway Improvement Association held in Peoria the day following the bankers' convention, it was his intention to reappoint S. E. Bradt of DeKalb as chairman of the good roads committee. Mr. Bradt has made an excellent start in this work for the bankers of the state. It is possible that O. P. Bourland of Pontiac, Stewart L. Crebs of Carmi, George L. Stimson of Washington and M. O. Williamson of Galesburg will make up the rest of this committee. This is a good, strong committee with a wide state acquaintance, and it may be expected that the good record made last year will be duplicated this year.

ELECTED VICE-PRESIDENT OF UNIVERSITY CLUB

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company, was elected vice-president of the University Club of Chicago at an election held on Saturday last.

TO MAKE GOOD ROADS TALK

Illinois State Teachers Association will meet at Peoria, December 26th and 27th. John D. Shoop, assistant general superintendent of Chicago schools and president of the Illinois State Teachers Association, has invited W. G. Edens, assistant secretary of the Central Trust Company of Illinois and president of the Illinois Highway Improvement Association, to appear before the county superintendents section as well as the entire association on the afternoon of December 27th, and discuss the subject of road improvement in Illinois.

On Thursday of this week Mr. Edens addressed the members of the Chicago Engineers Club at their clubrooms, 314 Federal Street on the subject of "Co-operation, the Key to Success in Road Improvement."

Pittsburgh

Pittsburgh bank clearings for October were \$267,768,219, the largest for any month in the history of the clearing house. The total for the ten months of 1912 is only \$5,000,000 smaller than the high record, which was established in 1907.

The Peoples National of Pittsburgh in its monthly review issued November 1st, says:

"No man in the Pittsburgh district has any doubt concerning the actual state of trade, and very few have any doubt that present favorable conditions will continue for a long time to come, with here and there the usual normal reactions. It was pointed out several months ago that improvement started earlier in Pittsburgh than in other parts of the country, and it was under full headway here while some other sections, especially in the West, were unable to see any positive sign of change for the better. The explanation was that the railroads came into the steel market early last spring for new equipment, track supplies, etc., while other commercial centers were holding back on account of the then unfavorable crop outlook.

"The events abroad last month render necessary some modification of general money market forecasts in the United States, but, as far as Pittsburgh is concerned, there is no reason to change the opinion that, while rates are likely to hold firm around 6 per cent for the remainder of the year, there will be ample funds for all legitimate needs. At the present time and for months past, the activity in this district is, and was, of a purely commercial and industrial character, and fortunately the money market is not complicated by speculative operations of any kind. On the Pittsburgh Stock Exchange there has been a subsidence of the healthy activity which prevailed in the early part of the year. Therefore, no special or unusual demands upon the local money market are to be anticipated and banking credits will be ample to meet general trade requirements."

INVESTMENT BANKERS ARE ACTIVE

Preparations for the convention of the Investment Bankers Association of America, which is to be held in New York November 21st and 22d, are going forward satisfactorily. This association is getting a good start much earlier in its history than most organizations of its class. A pamphlet has been published giving a full report of the organization meeting held August 8th, with the constitution and by-laws. The programme of the coming convention has not been perfected in detail, but enough has been done already to insure two full days of business and pleasure. The action of the committee on municipal bonds will prove important. This committee, in connection with representatives of well-known dealers, has taken steps to organize bureaus where certified copies of the legal papers connected with issues of municipal bonds can be deposited, the arrangement making it unnecessary for dealers or investors to call for certified copies of the papers accompanying the securities.

NORTHERN TRUST ISSUES BOOKLET

Under the title of the "Laws of Descent in Illinois," the Northern Trust Company has issued a brief compendium of the state laws governing descent and distribution of the property of persons who die intestate.

LITTLE ROCK TRUST COMPANY INCORPORATED

Commonwealth Trust Company of Little Rock, Ark., has been incorporated with a capital stock of \$200,000. Charles Berner is president; Lew Hagg, secretary, and H. L. Bradley, treasurer. The new company will begin business about the first of the year.

DENVER NATIONAL TO MAKE IMPROVEMENTS

Denver National is contemplating improvements to its banking room, which it is said will cost in the neighborhood of \$25,000.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, Nov. 6th.—It is understood that the Reclamation Federation which met in Chicago recently for a conference as to its future, will meet in St. Louis in March, 1913, at the same time the National Drainage Federation meets here. The Reclamation Federation is composed of 400 of the leading moving spirits in financial and commercial circles in the United States. Their purpose is to furnish material aid for the reclamation of the waste lands of the United States and for the preservation of the forests and the establishment of drainage reservoirs. The purpose of meeting in St. Louis is to attempt the consolidation into one powerful body of all the organizations which are working for these same ends. Included in these are the National Drainage Congress, the National Irrigation Congress, the Dry Farming Association and six other bodies of lesser membership, and to get them all to working cohesively for the same ends. It is now believed by the officers of the St. Louis Conventions Bureau that all of these organizations will meet jointly in St. Louis next March, at which time the negotiations for consolidation will be brought to final settlement. The attendance at all of these joint and concurrent meetings is expected to bring more than 10,000 delegates to St. Louis, and one of the propositions which will be considered will be the establishment of a general headquarters for the joint organization.

Trust Company Suit Ends

Attorneys for the West St. Louis Trust Company and Ben E. W. Ruler, in a suit brought against Conway Elder, Jacob Maurer, Charles G. Vens and Dennis O'Leary, stockholders, have moved a dismissal in Circuit Judge Shields' court. The court ruled the suit might be dismissed when costs amounting to \$32.20 were paid. In a statement officials of the concern say the suit was found to be the outgrowth of mutual misapprehension. The defendants in the suit have sold their stock in the trust company to the plaintiffs and have withdrawn as directors. Mr. Ruler has been elected president to fill the vacancy caused by the resignation of Mr. Elder. The matter came before the courts when an injunction was asked to restrain Ruler from acting as president.

Group 8 at Jefferson City

Group 8 of the Missouri Bankers Association which held its annual meeting recently at Jefferson City, devoted nearly all of its discussion to farming and general agricultural development. The bankers of Missouri, President R. R. Calkins of St. Joseph says, have actively enlisted in the back-to-the-farm movement and are doing all they can to arrest the

tide of immigration from the farms to the cities. The problems discussed ranged from the proper selection of seed corn to the preparation of the soil, its fertilization and crop rotation. W. C. Gordon, cashier of the Farmers Savings Bank at Marshall, is in charge of the farm movement. The organization has appointed in many of the counties of the state one of its members as county farm adviser, whose duties are to bring about close and co-operative relation between the farmers and bankers.

John E. Swanger, state bank commissioner, addressed the bankers. He complimented them upon the flourishing condition of Missouri banks and the absence of any disastrous failures during the last eight years. W. W. Gillum of Barnett was elected chairman and T. A. DuBrouillet of Linn secretary.

St. Louis Banker Killed in Hotel Fire

W. C. Douglas, a director of the St. Louis Union Trust Company, and identified with several other corporations, was burned to death in a fire which destroyed the Berlin Hotel, an exclusive family hotel in the West End district of St. Louis.

Banker Proves a Friend

After traveling one thousand miles to Georgia in order to overtake an employee whom he charges with a shortage of \$4,000, J. J. Gottler, a St. Louis Banker, has recovered \$3,000 and left the embezzler with \$1,000 to start life anew. Mr. Gottler states that his employee, whose name he refuses to give, had so manipulated his accounts that he was \$4,000 ahead. This money he placed to the credit of his wife and then skipped. The wife, however, was more honest than her husband, and she told Mr. Gottler where he could find him.

Death of Former St. Louis Official

Word has been received at St. Louis of the death of Horace W. Clarke at Frederick, Md. Mr. Clarke was a son of James C. Clarke, at one time vice-president of the Erie railroad, later president of the Illinois Central, and then

of the Mobile & Ohio Railroad. He was well known in St. Louis, where his brother, Charles S. Clarke, resided as general manager of the Mobile and Ohio, and later vice-president of the Missouri Pacific-Iron Mountain. He also resided here himself while connected with the St. Louis division of the Mobile and Ohio. He was vice-president of the International and Great Northern and later of the Denver and Rio Grande, both Gould lines.

New East St. Louis Bank

Commission men at the National Stock Yards, East St. Louis, have announced that a new bank for the Stock Yards is assured, and that it will be in operation by January 1st. The new institution will be called the Drovers State Bank, although it will afterwards be changed to a national bank. It will be located on St. Clair Avenue, just outside the arched entrance to the Stock Yards. Although it will bid especially for the patronage of the stock yards and commission men, the new bank will also solicit deposits from East St. Louis business men. Mike A. Bright, general manager of the National Live Stock Commission Company, and a veteran stock man, will be the president of the institution, it is said by other commission men. The new bank will have a capital of \$200,000. About \$125,000 of this amount has already been subscribed and paid in. The remainder of the stock will be sold to country bankers in Missouri, Illinois, Arkansas and Texas and to wealthy stock raisers. Commenting upon the future of the new institution, Mr. Bright cited the fact that East St. Louis has a population of nearly 70,000 and only three banks. It is the only city of its size with but three such institutions.

Cashier Missing; Bank Funds Short

H. M. Smith, appointed cashier of the State Bank of Holstein, Mo., in the latter part of August, and shortly after the bank had been organized, is missing, along with \$7,535 of the bank funds. Smith was formerly a grocery clerk in St. Louis, and prevailed upon some business men of his acquaintance to inaugurate a bank at Holstein, a rich farming district near St. Louis, where a bank was much needed. He was given the position of cashier and furnished a bond in the sum of \$5,000, issued by the National Surety Co., of St. Louis. Warrants have been issued for his arrest, charging him with embezzlement.

Arkansas Bank Raises Capital

The Bank of Cabot, Ark., George F. Murrell, president, filed with the secretary of state a certificate increasing its capital from \$10,000 to \$50,000.

New Texas Bank

Tentative organization of a bank for the

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

R. R. DONNELLEY & SONS COMPANY

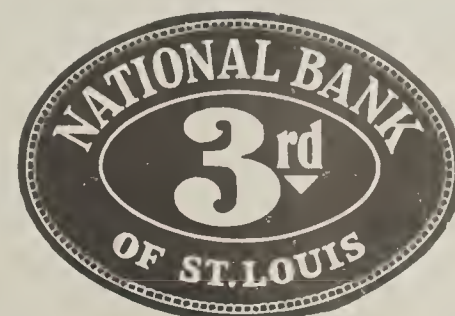


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*The House of Forty Year Quality
and Service*

**PLYMOUTH PLACE AND POLK STREET
TELEPHONE HARRISON 350
CHICAGO**



**Capital
\$2,000,000**

**Surplus
\$2,000,000**

Deposits, \$35,000,000

Officers

C. H. HUTTIG, President

F. O. WATTS, Vice-Pres.

J. R. COOKE, Cashier

T. WRIGHT, Vice-Pres.

D'A. P. COOKE, Asst. Cash.

R. S. HAWES, Vice-Pres.

H. HAILL, Asst. Cash.

G. W. GALBREATH, Vice-Pres.

E. C. STUART, Asst. Cash.

town of Santa Maria, Tex., to which the San Benito & Rio Grande Valley Railway was recently completed, has been perfected. N. W. Astin, formerly of St. Louis, will become president of the new bank and will be actively identified with the institution. The capital stock will be \$10,000.

CHICAGO PRIVATE BANK CLOSED

The Kirby Savings Bank, at 5019 South Ashland Avenue, was closed when its proprietor, Dr. William T. Kirby, was adjudged insane by the county court and committed to the North Shore Health Resort in Winnetka. The Central Trust Company was appointed receiver by Judge Landis to assume charge of the affairs of the insolvent institution. Assets discovered amount to \$856, of which \$206 is cash; liabilities total \$150,000. It is reported that the wife of the banker-physician, at whose request he was examined as to his sanity, has asserted that she will make good all claims against the bank. She is connected with a Waukegan family which is reputed to be very wealthy.

Possession of the defunct bank was effected by the receiver only with the assistance of the police; a woman reported to be the owner of the building endeavoring to prevent its seizure by means of a double-barreled shotgun. The cashier of the bank, who is a relative of Dr. Kirby, is but seventeen years old. He was arrested on a charge of passing a worthless check for \$1,000 on the Slavic-American Bank, as agent for Dr. Kirby. His case has been continued till Nov. 15th. When the proprietor was adjudged insane, young Kirby closed the bank. When Mr. Vowell, representing the Central Trust Company, took possession, the boy opened the vaults for him.

If the banker-physician has been adjudged insane, as has been reported, it would seem that there is nothing for the receiver to do, for the estate would have to go through the probate court. The claims of depositors are not preferred claims; they simply are general creditors of the bank. In view of the fact that the assets bear such a small percentage to the liabilities, it doesn't look as though the depositors would be able to realize much on their claims. About the only hope they have is to rely upon the promise of the banker's wife to reimburse them for their losses.

This deplorable state of affairs is but additional evidence of the great necessity for supervision and inspection. It truly is too bad that

Illinois persistently refuses to commit herself to progressive principles along these lines. With supervision and inspection the insolvent condition of the bank would have been discovered in time to save a considerable amount, at least, to the depositors. It is pretty hard on people to have their life's savings swept away at one swoop, simply because the state refuses to pass such legislation as would operate to preclude such a contingency. In view of the almost daily examples of the evils of unsupervised banking, it is difficult to see how anyone can be opposed to supervision. A few more horrible examples and the public will rise up in arms and demand that drastic legislation be passed. It is urgently to be hoped that the efforts of the city council in this behalf and of the various public-spirited organizations throughout the state will be successful in securing supervision and inspection of all forms of banking in the state.

Editorial from Chicago Daily News

"Depositors in the Kirby Savings Bank, 5019 South Ashland avenue, Chicago, which closed its doors last week, are threatened with the loss of practically all the funds they had intrusted to the institution. The deposits in the failed bank are reported to have amounted to about \$30,000, most of the money being the savings of persons of small means. Search of the vaults by the receiver disclosed only \$852 in cash and notes. The assets of every sort apparently represent only about 3 per cent of the liabilities.

"The Kirby Savings Bank is a 'private' institution. It was conducted by a physician, who may or may not have had some knowledge of banking methods. Regardless of his fitness or unfitness to run a bank, he was free to put up a sign and invite deposits, no supervision or inspection of any kind being applied to the concern by the public authorities. Illinois is one of the very few states in the union in which banks may exist and take in funds from depositors without submitting to any public control whatever. Therefore, the Kirby Savings bank, with an insane man for proprietor and a

youth for office force, went its way to destruction.

"National banks, subject to regulation by the federal authorities, and state banks, subject to state supervision, sometimes fail, but not often. When they do fail the results are not nearly so disastrous as are those attending the failures of unsupervised private banks. The percentage of assets to liabilities is usually large. Had the Kirby bank been subject to inspection its rickety condition would have been discovered long before its collapse.

"It is a disgrace to Illinois that the state permits persons of all sorts to engage in the banking business without any supervision whatever. Unsupervised banks must cease to exist in this commonwealth. Thrifty residents of Chicago have suffered much from wildcat banking. This community should unitedly demand of the next legislature a law that will effectually eliminate this evil."

An effort has been made to dismiss the bankruptcy proceedings and to remove the receiver, which was denied by Judge Landis. An attempt also has been made to have the administration of the estate turned over to the conservator. It has been insinuated that the effort to have the banker-physician adjudged insane by the county court was made for a purpose and that \$75,000 was withdrawn from Kirby's bank during the three days prior to the time that he was adjudged insane. Judge Landis has received numerous requests from depositors not to turn the property over to the conservators.

Philadelphia

Bank clearings in Philadelphia during last month amounted to \$772,893,000, so were 24.1 per cent larger than similar exchanges for October of last year, and established a new high record for a month's business. This phenomenal progress, local bankers said, was a true index of the enormous volume of general business passing through this market. It should be stated, however, that the large trust companies now transact business direct through the clearing house, whereas a year ago they were not members, but as these institutions deposited checks with their clearing house representatives for collection even at that time, the difference the change would make would not detract from the significance of the record.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

Editorial Comment

IMPROPER USE OF BANKING AND TRUST COMPANY TITLES

The promiscuous use of the words "trust company" and "bank" by individuals and associations of individuals in whose make-up the virtue of honesty is at the best but fragmentary, suggests the urgent necessity of some sort of remedial legislation, the object of which shall be to limit the use of these appellations. A trustee acts in a fiduciary capacity; the duties which devolve upon him in such a capacity ought to receive his very best attention. In other words, the relation which exists between him and his "cestui que trust" is of a very confidential nature. The duties of a trustee are such that they must receive his personal attention. Indeed, it is a familiar principle of the law that the duties of a trustee cannot be delegated, except in so far as they are ministerial in their nature.

In these modern days incorporated trust companies have assumed to a large extent the functions which formerly were performed by individuals. Nevertheless, the same duties and obligations are incumbent upon them as are applicable to individuals acting in similar capacities. This brief statement of the principles relating to a trust relation emphasizes the importance of having high-class people perform such duties. No difficulty in this connection is experienced in the cases of the strong, influential trust companies operating in this country. The men connected with them are men of the highest moral character and attainments, men who have had much experience in financial matters, and whose judgment and integrity are unimpeachable; and, in addition, the corporations engaging in these enterprises usually have a large amount of capital back of them.

How different is the situation in the case of some individuals essaying to act as trustees? The men sometimes connected with these undertakings frequently are of questionable character, having little or no financial experience, and whose judgment cannot be depended upon, and practically always they have but slender capital with which to operate.

It might be well in this connection to point out some of the provisions of the Illinois statute relating to trust companies, and to show the utter fallacy of compelling strong corporations to submit to stringent regulations, while irresponsible individuals are absolutely exempt simply because they have not complied with the formality of incorporation.

In all cities and towns of less than 100,000 inhabitants, trust companies are required to deposit \$50,000, and in all cities and towns of 100,000 inhabitants or more, \$200,000, with the auditor of public accounts, said deposits to be for the benefit of the creditors of the company, and to consist of government bonds or municipal bonds of the state, or of mortgages

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

in improved and productive real estate in the state, being first liens thereon, and the real estate being worth at least twice the amount loaned thereon. In the event that it shall appear from the annual report of the company that the value of the personal property and cash held by it exceeds ten times the amount of the deposit, the auditor can compel such company, if in a city or town of 100,000 inhabitants or more forthwith to increase the deposit to \$500,000 in the securities above mentioned; or, if in a city or town of less than 100,000 inhabitants, forthwith to increase the said deposit to \$125,000, in such securities.

In addition to the above provisions for the security of creditors, the law further provides that each trust company during the month of January of each year shall file with the state auditor a statement under oath of the condition of such company on the 31st day of December, next preceding and exhibiting the following items:

(a) The assets of said company, specifying: First, The description and market value, or as nearly as may be, of the real estate owned by such company.

Seventh, The amount of stocks and bonds posited in banks to the credit of said company, specifying in what banks such deposits are.

Third, The amount of cash in the hands of agents and in the course of transmission.

Fourth, The amount of loans secured by mortgages and bonds, constituting a first lien on real estate, on which there shall be less than one year's interest due or owing, and the amount of such interest.

Fifth, The amount of such loans on which there shall be more than one year's interest due or owing and the amount of such interest.

Sixth, The amount due the company on which judgments have been obtained.

Seventh, The amount of stocks and bonds of this state, and of the United States, of any incorporated city in the state, and of any other stocks and bonds owned by such company, specifying the amount, number of shares and the par and market value of each kind of stock or bond.

Eighth, The amount loaned upon the pledges of securities, with a statement of the securities so held by such company, and the par and market value of such securities.

Ninth, The amount of all other assets of such company, including accrued interest not enumerated above.

(b) The liabilities of such company, specifying:

First, The capital stock paid in.

Second, The surplus on hand.

Third, The undivided profits.

Fourth, The deposits held by such company.

(c) A list and brief description of the trusts held by such company, the source of the appointment thereto, and the amount of real and personal estate held by such company by virtue thereof, except that mere mortgage trusts wherein no action has been taken by such company shall not be included in such statement. The said report shall also be in such form and contain such statements, returns and information as to the affairs, business condition and resources of the corporation, as the said auditor of state may from time to time prescribe or require.

Provision also is made in the statute for examination of the affairs of the said trust company, also for publication of the said report.

It will be noticed from the above statement of the law that the interests of creditors are pretty thoroughly protected. The state of Illinois has enacted a law so comprehensive in its scope and has made it applicable only to corporations engaged in doing a trust company business, organizations with large sums of money at their command and officered by men of high standing and reputation; and yet it has seen fit to say not one word about individuals and partnerships engaged in similar undertakings, the very persons whom it ought to have been the design of the legislature to include.

One seldom, if ever, hears of a trust company violating its obligations, and it seems almost a travesty on justice to compel incorporated trust companies to submit to the provisions of the law as above set forth, and render irresponsible individuals and copartnerships immune simply because they are not incorporated. It is greatly to be deprecated that Illinois, occupying the position which she does among the states of the Union, has seen fit to permit such a state of affairs to exist. Many of the concerns which purport to conduct a trust company business in reality are doing nothing of the sort, but are loan concerns or engaged in the promotion of stock-selling ventures. It is high time that some effort be made to restrict the use of the words "trust company" to corporations engaged in that business and to afford to the public some relief from the unscrupulous individuals who, as a result of inadequate laws, are enabled to prey upon the people.

The facility with which the words "trust company" can be used is equally true in the case of the word "bank." There is absolutely nothing in the Illinois law prohibiting any person or persons who so desire from calling himself or themselves a bank and painting it in conspicuous letters on the window of the the place of business. Then the "banker" can accept all the money people are foolish enough to give in, such people in many cases being ignorant foreigners, and who, when the crash comes, are unable to comprehend why it is



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

A Broad Vision on the part of its founders, and a continued liberality of policy on the part of the management of this bank, have combined to make it more than a local institution. Its Numerous Connections throughout the Northwest enable it to offer complete and acceptable service to its many patrons in Minneapolis and in the great states comprising the business territory of this city.

Capital and Surplus, \$5,000,000

AFFILIATED WITH

The Minnesota Loan and Trust Company

that they are unable to get their money back. Here, again, the same technical distinction as regards incorporation exists. The incorporated bank is compelled to submit to periodical examinations, publish reports, etc., while the bankers who are not incorporated, and who do not pay any taxes, are permitted to have a free hand, and to operate without any kind of supervision or inspection whatever.

This calls to mind the case of a private banker who recently failed in a state adjacent to Illinois. Investigation of the affairs of his "bank" disclosed the fact that for ten years the institution had been insolvent, and that the proprietor had been defraying his personal expenses out of the money he had been receiving as deposits.

Fortunately, the public has become pretty well aroused and is protesting vigorously against the evil to which it has been compelled to submit; and this spirit of popular indignation also is reflected by the press. Remedial legislation is being advocated by private bankers as well as by those who are incorporated. The better class of private bankers are heartily in favor of the proposed law. Those who are honest have nothing to fear, and will welcome the opportunity of taking the people into their confidence and revealing the true condition of their banks. It will have a tendency to increase their business greatly, for the public will know of the strength of the institution in which it is placing its money, and will be further reassured by knowledge of the fact that the bank is under the supervision and inspection of the state. The dishonest private banker has every reason in the world for opposing supervision. He is just the fellow who ought to be legislated out of business, and some of the harrowing scenes incident to failures thereby obviated.

The object of individuals in using corporate titles is to convey the impression that they are corporations and to instill in the minds of the public the prestige, stability, etc., which one ordinarily associates with a trust company or a bank. There is no reason on earth why Illinois should be the least bit backward about correcting the abuses which have sprung up under its law. Statutes similar to the legislation which now is being advocated have been passed in numerous states of the Union. If Illinois is to be classed as a progressive, up-

to-date state, it is time that she pass a law restricting the use of the words "trust company" and "bank" and compel all banks within the state, except national, to submit to periodical examinations, and supervision and inspection, and thereby remove the impediment to her progress which exists as a result of the loose methods now in vogue.



PROSPEROUS CONDITIONS IN SOUTHWEST

Business conditions in the Southwest, as revealed by the current monthly financial letter of the Mechanics-American National of St. Louis, are very encouraging, indeed. There is a good, healthy demand for money at good rates, and no trouble has been experienced by the banks in financing the crop movement. The increased activity in all lines of business, and the great progress and steady gains over last year which have been made in the shoe, hardware, furniture and clothing lines in St. Louis, all have contributed to the general feeling of optimism which is prevalent in that section of the country. It is difficult to predict what effect the result of the recent presidential election will have upon business and financial conditions. The situation has been peculiar this year in that politics has not influenced business conditions. Even the agitation of tariff revision has caused much less agitation than usual, and in quarters where alteration of schedules must force radical readjustment, there has been less disturbance

than ordinarily. The country now is experiencing a period of great prosperity, the good times being confined not to only one section, but prevailing generally. It is believed that the coming winter will see improvement all along the line with increased earnings for the railroads and a much larger margin of profit for the average mercantile establishment. One of the dangers to be feared is that people may develop the speculative fever. However, the country is just recovering from the effects of the panic of five years ago, and all of the money which has been loaned by the banks has been used for legitimate business undertakings, so that speculation throughout the Southwest is at the lowest level which has been seen at this season for more than fifteen years. Farmers in territory contiguous to St. Louis are far more prosperous than they were a few years ago. They have learned much about business since the panic and realize the necessity of setting aside a surplus fund. They also have learned more about farming. As the work undertaken by the government and the state bankers' associations to acquaint the farmers with improved methods of land cultivation and more scientific methods of farming, progresses, there will be some headway made toward reducing the high cost of living in this country.



COMMENDS PHILIPPINE ROADS AND SCHOOLS

Dr. Francis W. Shepard, professor of American History at the University of Chicago, in an address before the ways and means committee of the Chicago Association of Commerce at its regular Wednesday noon-day luncheon this week, praised Philippine roads and the school system now in vogue there. The roads are divided into sections, each of which has a caretaker who keeps them up, somewhat the same as a section hand does on a railroad. There are six hundred thousand Philippine school children, about eight hundred of the teachers being Americans. Wonderful progress has been made along educational lines in the islands since American occupancy. The cost of educating the children is only 47 cents per capita per annum.



BANK SHORT \$63,000

First National of Wilburton, Oklahoma, which recently closed its doors, has been found to be short \$63,000 by the comptroller of the currency.



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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

BOSTON CHAPTER

The Boston Chapter of the American Institute of Banking held its third meeting of the season at the City Club last week. President Robert H. Bean presided. Following the dinner the members listened to an extremely interesting talk on "European Methods of Financing Farms," by Alfred L. Aiken, president of the Worcester County Institution for Savings. Mr. Aiken spoke particularly of German financing ideas and considered their applicability in this country. He also mentioned the possibilities along these lines as set forth in the message sent to the governors of all the states by President Taft a short time ago.

LOUISVILLE CHAPTER

The Louisville Chapter of the American Institute of Banking, which has always been recognized as one of the most active of the organizations composing the national body, has begun its winter's work under favorable auspices. Leon P. Lewis, who is a member of the faculty of one of the local law schools, will deliver a series of lectures during the winter on commercial and banking law.

SAN FRANCISCO CHAPTER

The San Francisco Chapter's announcement for the season 1912-13 gives promise of continued activity. The program will include the following lectures: Professor H. Morse Stephens of the University of California; Professor Thomas H. Reed of the University of California; Professor Maurice E. Harrison, lecturer in the University of California; Professor A. C. Whitaker of Leland Stanford University; Robert W. Harrison, Hastings Law College.

The addresses for the season will be delivered by Frank B. Anderson, president of the Bank of California, N. A.; F. L. Lipman, vice-president of Wells-Fargo Nevada National; James K. Lynch, vice-president of the First National of San Francisco; Max Thelan, attorney for the California Railroad Commission; Col. Charles E. Woodruff, medical corps, U. S. A.; Hon. Duncan McKinley, surveyor of customs at San Francisco, Cal.; Robert M. Welch, vice-president, Savings Union Bank and Trust Company of San Francisco; John D. McKee, vice-president of the Mercantile National; G. K. Weeks, with N. W. Halsey & Co.

Papers will be read by F. C. Mortimer, cashier First National; Russell Lowry, cashier American National; W. F. Duffy, auditor Anglo and London-Paris National; D. L. Clarke, assistant secretary, Savings Union Bank and Trust Company; Victor Palmer with First National; W. F. Hovey with First National; William A. Day, assistant cashier, Savings Union Bank and Trust Company; H. Choynski, assistant cashier, Anglo and London-Paris National; John Clausen, manager Foreign Exchange Department, Crocker National.

Classes in banking and finance will be conducted on Wednesday afternoons at 5:15 o'clock for members desiring to obtain Institute certificates, and the Law lectures will be held on Friday afternoons at 5:15 o'clock.

A charter has been issued to the First National Bank of Reedy, Reedy, W. Va., capital \$25,000.

The Institute and Its Work

The American Institute of Banking Section of the American Bankers Association is devoted to the education of bankers in banking and the establishment and maintenance of a recognized standard of education by means of official examinations and the issuance of certificates of graduation. To qualify students for official examinations for Institute certificates, which are termed final examinations, the Institute provides a standard course of study in the form of serial lesson pamphlets and collateral exercises. No additional text-literature is required. The course of study thus provided covers the theory and practice of banking and such principles of law and economics as pertain to the banking business, and requires at least one hundred hours of class or correspondence work under approved instructors. In suitable cities bank employees are organized in chapters for educational work in accordance with the class method of instruction. Students outside of city chapters are associated in the Correspondence Chapter and provided with instruction by mail. Chapter organization and education are thus made uniform and universal.

PART I.—Banking.—The first part of the course thus adapted alike to chapter classes and correspondence students considers the subjects of "Wealth and Money," "Banks and Banking," "Bank Accounting," "Loans and Investments," "Clearing Houses," "Trust and Savings Institutions," and a final examination reviewing the foregoing lessons in banking.

PART II.—Law.—The second part of the course considers commercial law in general and banking law in particular, with special reference to negotiable instruments. The lesson pamphlets pertaining to law cover the subjects of "Laws of Contracts," "Agency and Trusteeship," "Sales and Bailments," "Partnerships and Corporations," "Insolvency and the Bankruptcy Law," "Negotiable Instruments," and a final examination reviewing the foregoing lessons in law.

Correspondence Chapter

Outside of study classes in city chapters, equally effective instruction is provided by the Correspondence Chapter. In correspondence instruction each student is supplied with the serial lesson pamphlets and collateral exercises. The exercises in connection with each lesson are to be submitted to instructors whenever done. The work of students thus produced is corrected and returned with such criticisms and suggestions as may be helpful in each case. Average students get little benefit from books alone. What most of them need is a teacher to direct and encourage them. The usefulness of a teacher is not so much to impart specific information as to stimulate the ambition and interest of students and to systematize and verify their work. The correspondence method of study lacks the inspiration of social contact, but the personal relationship established between students and instructors stimulates ambition and the fact that all lessons must be written insures thought and thoroughness. So far as actual acquirements of knowledge is concerned the advantages of the correspondence method of in-

struction fully offset its disadvantages. The cost of correspondence instruction thus provided, including lesson pamphlets and all serial as well as final examinations, is \$15 for Part I pertaining to Banking and \$15 for Part II pertaining to Law. Payments for each of the two parts may be made separately. One-third reduction from such rates is made to individual students who are employees of institutions that are members of the American Bankers Association.

Combination Instruction

The class method implies the personal association of students under the direction of an instructor. The correspondence method provides for the individual instruction of students from the general office of the Institute. A combination of class and correspondence methods is expedient where duly enrolled correspondence students can meet informally and discuss the lesson pamphlets among themselves. Under such circumstances no instructor is required as the examination in connection with each lesson pamphlet, as well as final examinations, are conducted by the Institute direct. In this way students get the advantages of personal association and the thoroughness of correspondence instruction. The cost to individual students of such an arrangement is not much if any more than the cost would be under a suitable instructor. While correspondence instruction is provided practically at cost, a reduction of ten per cent in tuition fees will be made for combinations of five or more students. The success of chapters in large cities has created the erroneous impression that the Institute is solely a city chapter proposition, and it is therefore only natural that ideas of Institute work should run in chapter channels. There is a certain glamor about the organization of a chapter in imitation of such associations in large cities, but if the motive is education, and not some sort of sociability, unexcelled results are obtained from combination class and correspondence instruction. The simple and thorough method of instruction thus provided requires work, but in modern banking, as well as in modern banking education, work is something to be welcomed rather than avoided.

PRIVATE BANK CONVERTED TO STATE

Inlay City, Mich.—The private bank of Chas. Palmer, which has been doing business here 25 years, has been opened as a state bank, with the following officers: President, Chas. Palmer; vice-president, Chas. Marshall; cashier, Harry E. Palmer; assistant cashier, Isaac McKillen. Capital stock \$50,000.

SEEK CHARTER FOR SWEDESBORO BANK

Trenton, N. J.—The South Jersey Trust Company, of Swedesboro, has made application to the commissioner of banking and insurance for a charter. The company proposes to start business with \$100,000 capital, divided into 1000 shares at \$100 each. The incorporators are: Samuel B. Gaskill, J. Clark Helms, Samuel S. Guest, Oliver Gemshaw and George Mashton, of Swedesboro; Samuel S. Conover, of Harrisonville, and William H. Wolf and Louis B. Moffett, of Woodbury.



John Smith need not leave his office until 2:00 p. m. and then will have ample time to catch the

20th Century Limited

at La Salle Street Station at 2:30 p. m.

John Smith will be in New York tomorrow morning at 9:25 after a refreshing night's sleep, fit for business — thanks to the "Water-Level Route."



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Capital and Surplus
\$3,000,000

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We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars

AGGREGATE RESOURCES OF ALL REPORTING BANKS (NATIONAL, STATE, SAVINGS, PRIVATE BANKS AND LOAN AND TRUST COMPANIES) AS OF JUNE 14, 1912

Comptroller of the Currency Murray has completed a consolidated statement showing the principal items of resources and liabilities of all reporting national, state and private banks in the country.

Reports from the banks operating outside of the national system were obtained through the courtesy and assistance of the various state banking departments and by correspondence with individual banks.

The reports submitted by the banks show their condition at the close of business June 14, 1912. The banks reporting number 25,050, viz., 7,372 national banks, 13,252 state banks, 1,925 savings banks, 1,091 private banks and 1,410 loan and trust companies, being 658 more banks than reported last year. There are about 3,950 banks, chiefly brokerage concerns, with an estimated capital of \$79,000,000, from which no reports can be obtained.

A summary of the reports of condition submitted by all these 25,050 banks as of June 14, 1912, shows resources aggregating \$24,955,000,000 against \$23,631,000,000 reported by 24,392 banks in June, 1911. Loans and discounts aggregate \$13,926,000,000 against \$13,046,400,000 in 1911, cash in bank, \$1,572,600,000 against \$1,554,200,000 in 1911, capital \$2,001,800,000 against \$1,952,400,000 last year, and individual deposits \$17,012,000,000 against \$15,906,300,000. The increase in these items during the year is as follows: loans and discounts, \$879,600,000, cash in bank, \$18,400,000, capital, \$49,400,000, deposits, \$1,105,700,000 and aggregate resources, \$1,324,000,000.

The following table shows the number of reporting banks and their principal items of resources and liabilities for the fiscal years 1911 and 1912, together with the increase during the year:

Items	1911 24,392 banks	1912 25,050 banks	Increase 1912 over 1911 (658 banks)
Loans and discounts.....	\$13,046,400,000	\$13,926,000,000	\$879,600,000
Cash in bank.....	1,554,200,000	1,572,600,000	18,400,000
Aggregate resources.....	23,631,000,000	24,955,000,000	1,324,000,000
Capital.....	1,952,400,000	2,001,800,000	49,400,000
Deposits (individual).....	15,906,300,000	17,012,000,000	1,105,700,000

For the purpose of comparison, the following shows the number of banks, aggregate loans, capital, resources and deposits for the fiscal years 1908 to 1912, inclusive:

Year	No. of banks	Loans	Capital	Resources	Deposits
1908	21346	\$10,437,960,000	\$1,757,100,000	\$19,583,400,000	\$12,784,500,000
1909	22491	11,393,199,000	1,800,000,000	21,095,000,000	14,035,500,000
1910	23095	12,521,781,000	1,879,900,000	22,450,300,000	15,283,300,000
1911	24392	13,046,400,000	1,952,400,000	23,631,000,000	15,906,300,000
1912	25050	13,926,000,000	2,001,800,000	24,955,000,000	17,012,000,000

Indianapolis

Excavation has been begun on a two-story brick bank and apartment building at the north-west corner of Washington street and Whittier Place for the Irvington Bank, a new institution. Brick is to be used in the general construction and the design of the building is in the colonial style. The building may be ready for occupancy within ninety days. The cost will be approximately \$15,000. The banking quarters and a single storeroom will occupy the ground floor and two apartments will be on the second floor. The banking room will have a basement vault, with accommodations for the bank funds and also private safety deposit boxes.

The Irvington Bank was incorporated seven months ago. Virgil E. Bolyard is president, Robert I. Marsh, vice-president, and Jesse F.

Evans, cashier. It has experienced a gain in resources of \$19,432.81 in less than three months, according to an official statement issued by the company.

Last month seventy-five new accounts were opened at the Indianapolis postal savings bank, making the total number of accounts opened since the bank was established 1,733. The number of accounts closed during the month was sixty-six, and the total number closed since the bank was started was 859, leaving 877 accounts now open. There were 469 deposits during the month, representing \$11,333, and there were 198 withdrawals, representing \$5,861. The amount remaining on deposit at the close of last month was \$86,605.

PLEADS NOT GUILTY

New York, November 4th.—James T. Wood, vice-chairman of the executive committee of the defunct Northern Bank, surrendered himself in court to-day and pleaded not guilty to an indictment returned Friday charging him with having made a false report to the state banking department regarding a Northern Bank credit of \$208,000. He was held in \$2,000 bail. Joseph G. Robin, now in the Tombs awaiting sentence for wrecking the Northern Bank, of which he was the head, was a witness before the grand jury which indicted Wood.

MAY NOT USE WORD "BANK"

In an opinion, Attorney General Carmody holds that a private banker, not subject to the supervision of the state superintendent of banks, nor required by law to report to that office, and organized after May 23, 1885, may not use the word "bank" in connection with his business.

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

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F. P. NEAL, Chairman Board of Directors.

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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

For the month of October, 1912, the bank clearings in Kansas City were larger than any previous month in the history of the Kansas City Clearing house. The total was \$280,578,853 which was \$36,368,443 larger than the figures for October, 1911, showing an increase of 14.9 per cent. The comparison is all the more significant because the two big banks now merged into the Southwest National Bank of Commerce were doing business separately a year ago. The total bank clearings for the year 1912 promises to make a new record and will probably exceed 2¾ billion dollars. The greatest Kansas City clearings before this year were 2,634 million dollars in 1910. The figures in 1911 were 2,578 millions. Omaha also has made substantial gains for the month of October and, in fact, all of the cities of the Central West territory are doing a heavy clearing house business and other records may be broken for 1912.

Group 11 at Springfield

Of the group meetings held in Missouri thus far this season, that of Group 11 at Springfield, October 29 and 30 was notable both because of its excellent attendance and because of the unusually good program carried out. More than 150 bankers, many of them from points outside the group district, were present and problems and conditions of banking were discussed by recognized authorities. One of the most interesting of the banking topics was the matter of overdrafts. The banks of Springfield were found to have solved this difficult problem through their local clearing house and the overdraft is practically eliminated there. G. A. Mueller, cashier of the Bank of St. James, led the discussion and was followed by President E. J. Green of the Bank of Mountain Grove and H. H. Smith, of the Bank of Rolla. "Past Due Paper" also evoked earnest discussion in which most of the delegates took part. At the election of officers Frank H. Wright of Springfield was chosen chairman of the group and George Sheldon of Dixon was made secretary. Among those who attended this meeting were: M. P. Sturtevant, St. Louis; Jerome Thralls, Kansas City; Phil S. Kidds, St. Louis; W. S. Fallis, Kansas City; C. C. Jones, Kansas City; T. Howe Steele, Hartville; O. W. Burgess, Willow Springs; H. R. Cowan, Richland; M. M. Ellis, Brandsville; M. T. Easley, Fair Play; W. E. Crouch, Collins; W. J. McGhee, Houston; R. J. Green, Mountain Grove; W. T. Harlan, West Plains; J. A. Chase, Mountain Grove; John B. Foster and C. T. Childers, Marshfield; R. E. McMahan, Seymour; J. W. McDowen, Cabool; J. P. Reichel, Kansas City; J. N. Allen, Thomasville; Fred George, Humansville; C. A. Chapman, Kansas City; Monta Poindexter, Everton; George A. Moore, H. E. Huttig and J. O. Ellis,

Kansas City; Leslie Payne, Bolivar; A. M. Young, New York; J. A. Walker, Battlefield, E. W. Cook, Conway; L. A. Haffie, B. F. Dennis and W. T. Dreedlove, Rogersville; S. M. Jordan, Sedalia; Charles Farrar, Chadwick; M. L. Landrum, Mountain Grove; F. W. Webb, C. M. Knapp and J. H. Smith, Rolla; J. P. McManus, Chicago; H. G. Davis, Oliver; G. E. Miller, Aldrich; J. W. Coleman, Marionville; J. C. Grizzell, Niangua; A. T. Lewis, Pomona; Jonas Parsons, Nixa; W. R. Strickland, West Plains; George R. Parker, St. Louis; Alfred D. Rider, Kansas City; G. H. Cobb, West Plains; F. M. Wasson, Nixa; F. J. Meade, Kansas City; A. H. Waits, Joplin; A. R. Rollins, Winona; C. D. Fight, Nixa; S. L. Boyce, St. Louis; W. W. Gertinger, Clinton; C. P. Patton, Cabool; S. L. Ellis, Mountain Grove; J. M. Whittenberry, Morrisville; Frank Pape, Norwood; J. E. Cahill, Willard; M. O. Hall, Clever; Claude O. Craid, Galena; W. B. Tyler, St. Louis; George A. Jackson, Chicago; Louis W. Fricke, St. Louis; M. L. Buechle, Kansas City; J. R. Jennings, Moberly; C. D. Goodrum, Laura; C. H. Hendricks, Richland; Sam McReynolds, Pierce City; L. B. Bell, Beulah; George B. Freeman, Mansfield; J. E. Riley, St. Louis; R. E. Session, Philipsburg; E. L. Stauardt and W. G. Bromwich, St. Louis; Joe T. Morris, Sparta; Bert Gordon, Tom Matkins, W. W. Coffman, D. J. Landers, J. L. Hine, John F. Aben, W. B. Sanford and Sam D. Fuson, Springfield; W. F. Keyser Sedalia; J. A. Medford, Norwood; George W. McCaven, Mount Vernon; W. T. Jennings, Bois D'Arc; J. G. Pennerman, Ash Grove; Enos W. Waite, Kansas City; John S. McLemon, Walnut Grove; W. McCracken, Humansville; Will W. Johnson, Hollister; J. B. Croweley, Wheatland; T. J. Stephens, Dunnegan; H. L. Davis, Aurora; J. R. Dominick, Kansas City.

Organize Mutual Savings Association

The employes of the Fidelity Trust Company of Kansas City have organized among themselves the Fidelity Mutual Savings Association and so thoroughly has the plan worked out that several other Kansas City banks and business houses are arranging to do the same thing. Each member of the association is permitted to deposit in the treasury of the association not less than \$3 nor more than \$15 per month. The amounts saved are represented by shares and the money is invested by three trustees, chosen from among the employes, and to the interest earned on the investments the Fidelity Trust Company will add from time to time by way of a bonus. The advantages claimed for the plan are that it affords a method of saving regularly a certain predetermined amount, that it develops capacity for, and interest in, the making of investments, and that it makes more obvious the solidarity of

interest of the men and women who are employees of the company.

Edward Dickinson To Be President of Railway Company

Following the announcement of the reorganizing of the Kansas City, Mexico and Orient Railway Company, is the news that the new president of the company will be Edward Dickinson, now vice-president and general manager. It is understood that Mr. Dickinson is the choice of the British stockholders who are now ready to put 15 millions of new money into the road and refinance the entire property. Mr. Dickinson has been identified with the road for several years and when a receivership of the property seemed inevitable he was retained on the understanding, so it is said, that he would head the enterprise later on. Mr. Dickinson is a thorough railroad man and has had several important offers recently, but has refused them all. He is wholly devoted to the Orient road and says that it is destined to be the best paying trans-continental road in the country.

Central West Notes

William S. Watson, president of the First National Bank of Macon county, Mo., died last week at his home in Bevier. He was 86 years old and has lived in Macon county for more than fifty years and was largely interested in coal mines.

J. Beal Sneed, who has been in jail at Amarillo, Tex., since the shooting of Al G. Boice last September, is now out under \$20,000 bond. As Sneed is one of the richest bankers and cattle men in Texas the amount of the bond was of little consequence.

Clyde C. Wilcox, accused of embezzling \$2,704 from the State Bank of Bancroft, near Seneca, Kas., is thought to be under arrest at Vallejo, Cal. A warrant for Wilcox' arrest was issued October 11.

Group 5 of the Kansas Bankers Association will meet in Great Bend, Kas., November 13. About 150 bankers are expected to attend.

The Guaranty State Bank of Mount Selman, Cherokee county, Tex., has been incorporated with a capital stock of \$10,000.

Four young men held up and robbed a Missouri Kansas and Texas passenger train at Wirth, Okla., last week and secured about \$25,000 in currency from the express safe. One of the parcels of money taken was one which contained \$4,000 in small bills and another contained \$3,500 which were being shipped from the Southwest National Bank of Commerce of Kansas City to Greenville National Bank, Greenville, Tex. The shipment was duplicated next day.

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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ORGANIZATION OF NATIONAL BANKS

During the month of October, 1912, 26 applications to organize national banks were received. Of the applications pending, 7 were approved and 2 rejected. In the same month 15 banks, with total capital of \$675,000, were authorized to begin business, of which number 13, with capital of \$325,000 had individual capital of less than \$50,000, and two, with capital of \$350,000, individual capital of \$50,000 or over.

On October 31, 1912, the total number of national banks organized was 10,285, of which 2,857 had discontinued business, leaving in existence 7,428 banks, with authorized capital of \$1,053,670,435, and circulation outstanding, secured by bonds, \$727,169,316. The total amount of national-bank circulation outstanding was \$749,348,859, of which \$22,179,543 was covered by lawful money of a like amount deposited with the treasurer of the United States on account of liquidating and insolvent national banks and associations which had reduced their circulation.

MONEY TRUST INQUIRY TO REOPEN

Word has been received in Chicago that Chairman Pujo of the house committee on banking and currency will return to Washington in a few days and will immediately take charge of the money trust investigation. A number of subpoenas issued by the committee have been served, although it is impossible to obtain an accurate list of the witnesses called and the dates set for their appearance. It is understood that the list of witnesses is practically the same that was published earlier in the summer when the subpoenas were sent over to the district attorney in New York.

GEORGE B. CALDWELL RETURNS FROM VANCOUVER

George B. Caldwell, vice-president of the

Continental and Commercial Trust and Savings Bank, who, with a number of other bankers, recently made a trip to Vancouver, B. C., to inspect the property of the Powell River Company, returned to Chicago this week. He says that Vancouver and Portland are looking better than are Seattle and Spokane, and that all are on a very much better basis and more optimistic than they were when he was in the Northwest two years ago. This is due largely to a revival of the market for logs and lumber. There is an improvement of from \$3 to \$4 per thousand. The Northwest this year has had larger crops than heretofore and the farmers are all doing well. The grain crop in the Pelous country, which is in the eastern part of Washington, around Spokane, is the largest in its history. Some of the grain is in the shocks in the fields yet, and will be thrashed when they can secure a sufficient number of cars to handle it. In Montana and Idaho the towns are all growing rapidly and the people are prosperous and contented. This is particularly true of Missoula and Billings. Everybody in the party was well satisfied with the trip to the property of the Powell River Company, which is about eighty miles north of Vancouver. About two millions of the two and one-half millions worth of bonds have been sold to dealers. This property is owned by the Brooks, Scanlon Company of Minneapolis, the largest operators on the Pacific Coast as well as in the South.

INSOLVENT BANK TOOK FUNDS

Memphis, Tenn.—L. T. Ward, cashier of the Bank of Collierville, Collierville, Tenn., at the time of its suspension September 28th, has been arrested on a warrant charging that he received deposits when he knew the institution was insolvent. Following the closing of the bank a general creditors' bill was filed, alleging that the bank was without cash resources as the result of defalcations. The bill stated that the assets were \$135,000 and the liabilities \$136,000, about \$60,000 of which was due depositors.

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BLUE ISLAND STATE BANK

Blue Island (Ill.) State Bank, organized by Messrs. J. M. and C. H. Lobaugh, respectively president and cashier, in September, 1911, and which began business the first of this year, is making satisfactory progress in the development of its business. The various industries located at Blue Island are flourishing, and the population is increasing each month, so that it is now around ten or twelve thousand, a community which easily can support two banks.

MICHIGAN BANK SHORTAGE MADE GOOD

A shortage has been discovered by National Bank Examiner H. E. Johnson in the First National Bank, Manistee, Mich., amounting to \$44,000, that amount having been taken by John W. Sibben, assistant cashier of the bank, through manipulation of the certificates of deposit register. The defalcation has extended over a period of fifteen years. The money is stated to have been lost through stock speculation in Chicago. The amount of the shortage has been entirely made good, and the bank will, therefore, lose nothing.

NEW SAVINGS BANK ORDER

Savings banks in New York State are not authorized to prefer deposits of postal savings banks or of court funds through a pledge of collateral securities, guaranteeing the payment of such deposits, according to an opinion by Attorney-General Carmody. He also holds that savings banks cannot guarantee a fixed rate of interest on such funds.

BANK INCREASES CAPITAL STOCK

First National of Modesto, Cal., has increased its capital stock from \$100,000 to \$200,000. Officers of the bank are as follows: W. N. Steele, president; E. C. Peck, vice-president; G. R. Stoddard, cashier, and J. A. Dunn and L. B. Carpenter, assistant cashiers.

CANADIAN BANK MERGER

The absorption of the Bank of New Brunswick by the Bank of Nova Scotia, recently rumored, has been confirmed. It has been announced that terms have been agreed upon between the banks and that the necessary meetings of shareholders to ratify the arrangements will be called in due course. The terms are that shareholders of the Bank of New Brunswick shall be given share for share, together with a bonus of \$10 per share. This amalgamation will send the Bank of Nova Scotia up to about the fifth place among the Canadian banks in point of assets, their total being increased to practically \$80,000,000. It will also probably result in the closing of a certain number of bank offices in the Maritime Provinces, where up to the present the two institutions have been competitors.

J. H. HOGAN IN TOWN

J. H. Hogan, cashier of the German Savings Bank, Des Moines, Ia., visited Chicago's financial district during the past week.

H. E. Campbell and Joseph P. Cavin who, the police believe, are implicated in the \$200,000 bank robbery at New Westminster, Can., were arrested at Columbus, O., last Friday.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The din of advancing prosperity is heard in the Northwest through reports from various sources, indicating that everything is full up—granaries, banks, railroad cars, private hoards of money, order books of traveling salesmen, deposit accounts, etc. St. Paul bank clearings are a straw in the wind. On the day before election they reached \$2,886,013, the highest in 1912, and one of the highest in the clearing house history. The \$3,000,000 mark has been reached only a few times. On September 3d, the day after Labor Day, the total was the only close approach to the November record. A year ago November 3d, the clearings were \$2,314,176. It was the twenty-first consecutive day that the clearings had passed the \$2,000,000 mark. Clearings for October totaled \$60,907,170, and for the year they are \$468,638,618, a gain of \$35,071,271. The city has only \$63,935,900 to make up to reach the total record for last year.

Bankers Interviewed

President E. H. Bailey of the First National said: "The big increase for October shows far greater business activity than a year ago. The remainder of the year should also show a good gain." W. A. Miller, vice-president First National: "Jobbers and other large business houses are doing 10 to 50 per cent more business than in 1911. The clearings fail to do justice to St. Paul, as a business city, because many large accounts are not carried to the clearing house." Kenneth Clark, president Merchants National: "A great commercial activity is seen in the clearings for October. Conditions should continue good a long time." George H. Prince, vice-president Merchants National: "The showing is greater than any one anticipated, and there should be still a greater natural expansion." A. L. Alness, president Scandinavian American Bank: "All of our customers report big increases. I never saw the situation in the Northwest looking so good." J. R. Mitchell, president Capital National: "I expect to see greater increases be-

cause commercial activities are becoming greater each day. Next year should be even better." W. B. Geery, vice-president: "Practically every business house in St. Paul is better off than a year ago. We should enjoy one of the longest periods of prosperity we have ever known in the Northwest." Ben Baer, president American National: "Country banks report an enormous increase in deposits. Everybody in the Northwest feels cheerful."

Increase in St. Paul Clearings

Increases in St. Paul clearings are shown as follows:

	1912	1911	Gain
January.....	\$43,587,752.18	\$41,987,103.50	\$1,600,648.68
February.....	44,087,933.40	36,552,849.00	7,534,984.40
March.....	54,504,056.99	50,333,359.21	4,170,697.78
April.....	42,647,251.08	42,262,712.89	384,538.19
May.....	42,883,673.11	40,827,611.35	2,056,061.76
June.....	44,864,088.10	42,683,160.83	2,180,927.27
July.....	54,632,541.22	44,207,643.14	1,324,898.08
August.....	42,930,592.15	40,255,159.21	2,675,432.94
September.....	46,593,557.95	42,043,253.27	4,550,304.68
October.....	60,907,170.58	52,414,503.72	8,492,666.86

Total..... \$468,638,616.76 \$433,567,356.12 \$35,071,260.64

Foresee Unprecedented Prosperity

Freight receipts and shipments from Twin City terminals indicate unprecedented business in sight. The Association of Commerce report for St. Paul alone shows 21,482 cars received in September and 14,422 shipped out. Cattle totaled 2,312 car loads, a gain of 1,029 cars.

For October, the Minneapolis bank clearings were \$147,711,583, the second largest month in the city history. A year ago these were \$122,274,359. For the fifty-one business days of the crop year, ending October 31st, the total receipts were 51,938,510 bushels. Never before has 50,000,000 bushels been received so early in the crop year in sixty days after September 1st. G. H. Tunall, chief deputy grain inspector, predicts that the record will be passed this year by 35,000,000 bushels. Minneapolis railroad agents report business better than ever before.

The Security National Bank review for October says: "The prosperity of the country

is real and the condition of business satisfactory. The greatest business activity is found in the states touching the Great Lakes and the Pacific coast."

On Board Northwestern National

Mr. Decker was succeeded a year ago on the board by J. A. Latta, vice-president of the Northwestern National, who remains on the board. Other bank members of the board are: F. A. Chamberlain, president of the Security National; C. T. Jaffray and A. A. Crane, vice-presidents of the First National; T. B. Janney, president of the Farmers & Mechanics Savings Bank.

Believe Hill Will Acquire First National

Expectation continues that James H. Hill, recently purchaser of the St. Paul Second National, will get the First National by January 1, 1913. The First recently acquired the Northwestern Trust Co. President E. H. Bailey says he cannot say who the would-be purchaser of the stock is. He says that under the terms of the offer the shareholders are to get \$335 for each holding. The board and resident shareholders have already agreed to the deal. The capital of the First is \$1,000,000. The book value is 228, the latest quotation \$278 bid and \$290 asked. On the basis of the sale Mr. Hill is pay \$50,000 bonus, or on the basis of the book value, \$1,070,000. Mr. Bailey said that with the Trust Company, the bank will be able to protect interests of stockholders by negotiating farm loans and financial work a national bank can't do.

New \$75,000 Bank Building for St. Paul

The bank and office building in South St. Paul to be occupied by the bank and the South St. Paul Stock Yards Company will cost \$75,000. The building is to be ornamental in exterior design, of brick and terra cotta, 60 by 93 feet.

Will Meet on Gridiron This Evening

The First National and the Northwestern National Bank football teams will meet on the

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gridiron election day. Instead of taking base opportunity of not working on a legal holiday, they spent the forenoon laboring back and forth across the field. Former high school and college players were on the two teams. On Thanksgiving Day picked players from the two Twin City bank chapters will play a game of football.

Were in Minneapolis

C. W. Folds and J. F. McCarthy of Chicago attended the "Made in Minneapolis" exhibition last week and then went over to Stillwater to attend the sale of the Northwestern Thresher Company to M. Rumley & Co. The Chicago men retire as directors of the old company.

John T. Baxter Honored

John T. Baxter, vice-president and counsel, has been elected president of the Northwestern National Life Insurance Company, Minneapolis, to succeed L. K. Thompson, resigned after seven years, as first president. E. W. Decker, president Northwestern National bank was made director to succeed Mr. Thompson.

Twin City Bankers Club Meet

The Twin City Bankers club had its regular fall business meeting Thursday night at the Minneapolis club. E. H. Bailey, St. Paul First National, is president.

J. F. Wathey in Pioneer Press

Conservatism carried to an extreme point may have caused to be neglected lines of progress by St. Paul banks that are now to be developed, writes J. F. Wathey in the Pioneer Press. What is to be done to stir things up Mr. Wathey outlines as follow: "Methods for increasing the city's money supply and new deposits to be made objects of study; closer relations with rural banks in the Northwest to get deposits now carried in the East; one institution contemplates a savings department; trust companies are being projected; new methods for increasing facilities for handling business."

WYMORE (NEB.) BANK HAS NEW CASHIER

Wymore, Neb.—Jacob Halderman of Iola, Kan., who has purchased a controlling interest, succeeds Floyd High as cashier of the Farmers & Merchants bank. Mr. Halderman comes from the vicinity of Pawnee, Neb. He was bank examiner two years but of late he has been interested in an ice plant in Iola. Mr. High goes to Omaha as cashier of the recently organized state bank.

BANK CHANGES AT GREAT FALLS

At a recent meeting of the directors of the First National of Great Falls, Montana, Mark Skinner tendered his resignation and it was accepted. Mr. Skinner resigned from the First National to accept a position with the Commercial Trust & Savings Bank. Mr. Skinner's former position will be filled by W. A. Brown, who will have for an assistant S. J. Moore. Both Mr. Brown and Mr. Moore have been with the First National for over ten years.

Springfield (Ill.) Correspondence

Preparations are under way for the third annual meeting of the McHenry County Federation of Bankers at Woodstock. All the bankers of the county will be entertained by the Woodstock bankers in the Odd Fellows' Temple. The visiting bankers will be invited to a dinner, after which regular business will be fully discussed.

New Blue Mound Bank Open

The new state bank of Blue Mound was opened for business last Wednesday morning, October 30th. The cash deposits the first day were reported to be \$20,000. The new institution received its charter from the state, October 29th. J. A. McClure is cashier. The other officers are: C. H. Moomey, president, W. O. Matthew, vice-president. Directors—E. W. Crow, Wm. Hartwig, A. C. Zeigler, C. H. Moomey and W. O. Matthew.

Deposits Money For 250 Years

Adolph Melzer, wealthy retired soap manufacturer, has presented to Mayor Heilman, of Evansville, and the city council, a certificate of deposit for \$1,000 which is to remain in bank for 250 years and draw compound interest. At the end of that time it will amount to \$19,956,400. The money is to be used two and a half centuries from now for public improvements which he believes the city will be unable to make from its own money because of debts. Mr. Melzer plans to distribute all of his wealth to other cities by making endowments for public improvements to be made in the distant future.

Woodstock State Bank Will Move

At a recent meeting of the stockholders of the McHenry County State Bank, Woodstock, it was decided to purchase the old Whitson property on the east side of the public square to be fitted out as an up-to-date banking house. The present place, with their rapid growth, has proven to be too small and this step was found to be necessary.

Adopt Trustee Method

The trustee method of settling the affairs of the defunct private bank of Brown & Co., in Blue Mound, has been definitely adopted and the trustees are now in control of the property. They are John B. Beckett, George D. Miller and Ezra W. Crow. At present they are engaged in making collections due the institution and already have sold some of the corn and wheat belonging to the company. This week they disposed of the stock and machinery on the Brown farm. It was expected that the proceeds of the sale would be between \$3,000 and \$4,000.

Bank Withdrawing From Business

The Olney Trust & Savings bank, organized by H. R. Fields last August, is withdrawing from business. Depositors have been notified to call for their money and the affairs of the bank are being settled up. The safe and office fixtures will be taken over by Mr. Fields and will be taken to Belmont, Wabash county, where Mr. Fields will personally take charge of a banking business.

The Olney Trust & Savings was organized rather suddenly last August with the announcement that in a short time the bank would organize under the state law. The officers were William Parker of Parkersburg, president, H. R. Fields, vice-president, and J. S. Brown, of Bridgeport, cashier. No statement is given as to the cause of the closing of the bank. It has been reported that local interest was not sufficient to encourage Bridgeport investors into taking a large portion of the capital stock of \$50,000 to enable it to organize under the state law.

Crystal Lake Bank Change

A change has been made in the control and management of the State Bank of Crystal Lake, by which James R. Jackman retires from the presidency of the institution and is succeeded by Fremont Hoy of Woodstock. Clarence F. Hoy, who for some time past has been identified with the Bank of Huntley, has been named as vice-president. Lynn Richards, who some months ago retired from his position as deputy circuit clerk at Woodstock to accept the position of cashier at the Crystal Lake Bank, will continue in that capacity. The change of control was brought about by the sale to Mr. Hoy and his associates of 140 shares of the bank's stock. With the resignation of the old directors, a new directorate has been formed, so that a complete reorganization has been brought about. The new board of directors consists of Fremont Hoy, Fred L. Colby, E. A. Nelson, Lynn Richards, J. R. Jackman, Clarence F. Hoy and Fred B. Bennett.

Kewanee Bankers in Peoria

A party of bankers from the Savings Bank of (Continued on page 29)

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with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Nov. 4th.—The Spokane Clearing House Association entertained a large party of Chicago, Minneapolis and St. Paul bankers October 28th, giving a banquet in the evening. George B. Caldwell, president of the American Investment Bankers Association, made a short address, saying:

"We are looking for safe and sane investment of the funds that are entrusted to our care, and we are looking to the acquaintances formed at this time to put us in the way of such. The western field offers attractions because of higher rates and the good securities offered, and eastern capital is ready for safe and sane propositions in the West. We realize the industrial development that must come to Spokane, and all conditions are right excepting the money. The East has the capital, and good profits from sound investments in the West will make that capital available."

First Contract for Hotel Awarded

The first contract for the \$2,000,000 Davenport hotel in Spokane was awarded to the Engineering Construction Company of Spokane, for approximately \$37,960. The contract includes excavations for and erection of the basement walls, curb walls and foundations. The work is to be completed in one hundred days, the site being now cleared of buildings. Every foundation in the big hotel, which will be one of the finest in the West, will go to rock, soundings having disclosed rock at depths varying from eighteen to forty feet. The Davenport hotel is financed and managed by a group of Spokane capitalists, prominent among whom is Louis M. Davenport, a pioneer Spokane restaurant man. In August a bond issue of \$750,000 was taken by a St. Louis banking house, and the balance of the \$2,000,000 is furnished by Spokane men.

Harvesting Grain

After harvesting a splendid crop of grain in the Spokane country, farmers are again aided by fine weather conditions for fall-sown wheat. Heavy rains in many sections have given the new crop an excellent start, while in many instances a year ago the start was far from good on account of the dryness of the soil. Reports continue to show that grain is going rapidly to market where the harvest was near normal. In Montana the movement is not so pronounced on account of the lateness of the season. Only in the north part of the Big Bend country of Washington and in south Idaho is there evidence of grain being held. Estimates for the Pacific Northwest show that 40 to 70 per cent of the grain has left the farmers' hands, and indications are that the movement this year is heavier than last.

Plan to Eliminate "Middlemen"

Officers of the Farmers Educational and Co-operative Union, with the aid of other farmers' organizations and bankers, are working out a plan to eliminate "middlemen" in the famous Palouse country (immediately south of Spokane) by organizing a \$500,000 co-operative farmers' company to establish a chain of

stores and banks. It is proposed to have all stock owned by men directly interested in agriculture, and the Farmers State Bank of Colfax, Wash., is to underwrite the stock and finance the proposition. Farmers and bankers have been quietly formulating the plan for two years, and are about prepared to proceed to organize by having 5,000 farmers take \$100 worth of stock. The success attained by Palouse farmers in conducting co-operative grain warehouses gives them confidence in launching the larger plan.

Will Erect Public Stadium

Between three and four acres of land just below the falls of the Spokane river, and within five minutes' walk of the heart of the city, have been purchased by the Spokane park board as a site for a large public stadium. The land was brought from the Spokane & Inland Empire Railroad Company for \$25,000. When built, the stadium will be the scene of large public functions.

Banking Notes

Spokane County Treasurer Zach Stewart is collecting half a million dollars, the second half of the county taxes, which become delinquent December 1st.

R. Lewis Rutter, vice-president of the Spokane & Eastern Trust Company, has returned from a trip to Ellensburg and Goldendale, Wash. He reports unusual prosperity in those districts.

Representatives of the Chicago, Burlington & Quincy railroad recently visited the Wenatchee Valley in central Washington to investigate conditions prior to taking over the Wenatchee canal. A plan considered by the visitors contemplates putting water on between 7,000 and 10,000 additional acres. In the party were: P. M. Benedict, secretary to President Darius Miller of the Chicago, Burlington & Quincy; Clark R. Fickes, engineer; E. A. Howard, a large land holder of Nebraska, and H. B. Scott, William Carson and C. E. Perkins, Jr., stockholders in the railroad, and bankers of Iowa.

Connor Malott, head of the mortgage de-

partment of the Spokane & Eastern Trust Co., has gone to New York and New England on a business trip.

D. W. Twohy, president of the Old National, is in New York.

P. P. Weber, president of the First National of Kellogg, Idaho, was a visitor in Spokane this week.

Seattle

Bank clearings for last month were \$8,194,242.42 larger than for the same month last year, as shown by the statement of the Seattle Clearing House Association. The total clearings for October, 1911, were \$50,757,497.20, as against \$58,954,742.62 for last month. Clearings for the fiscal week ending were \$12,492,397.49, as against \$11,080,278.18, or a gain of \$1,412,119.01 over 1911.

The Chehalis County Bank at Aberdeen has changed hands. George F. Nyere, its president, and his associates, purchased the interest of W. J. Patterson, head of the Hayes & Hayes Banking house, and his associates, giving Mr. Nyere control. Mr. Nyere, while he has been president of the bank for the past year, owned little stock. He was formerly in the banking business in Portland.

R. F. Parkhurst, formerly assistant cashier of the First National of Seattle, who was convicted in 1909 of embezzling \$50,000 from the bank and sentenced to ten years' imprisonment, has been paroled and will take a position with a business house in Seattle. Parkhurst's record in the Federal penitentiary at McNeil's Island has been flawless and most of the money he took has been restored to the bank.

SEATTLE NATIONAL ON NORTHWEST

In its October issue of "Bank Trade and Crop Bulletin," the Seattle National takes this roseate view of Northwest conditions:

"There has been no walking backwards in Washington, Oregon, Idaho and Montana. There has been no looking backwards by an exhausted people in an exhausted country. Here, work has invigorated and not exhausted. Here, development has replenished and not emptied. Here, thought has been on the days that are to come and not on those that have passed away. Nor have the people of this great commonwealth ever stood still. Theirs has been a progressive life; theirs a progressive religion. 'Move forward' has been the command. Restless, energetic, work-loving, they have unyieldingly struggled, suffered, sacrificed for what they have achieved. They have experienced the weight of burdens that always distinguish a new and growing country and masterfully have solved the problems which from time to time have confronted them."

The issue illustrates and describes the great dock and terminal system which has been projected for Seattle's harbor.



THE OLD NATIONAL BANK of Spokane

offers correspondents genuine service based on a knowledge of their needs and an organization capable of meeting them in every particular

D. W. TWOHY, President
T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

EDMONTON NEWS

Edmonton, Alta., Nov. 4th.—Bank clearings in Edmonton for October totaled \$21,310,359, as against \$12,583,000 the same month a year ago, and \$17,702,793 in September, 1912. The total for the first ten months this year is \$174,801,701, as compared with \$93,119,785 for the same time in 1911. This is the first time in the history of the city that the \$20,000,000 mark has been passed in any month. It is due to normal increases in business, only a small percentage being represented by real estate transactions.

Customs house receipts for October amounted to \$132,000, as against \$72,250 for the same month a year ago. The total for the first ten months of 1912 is \$1,230,834, as compared with \$555,138 for the same period in 1911. There are also increases in stamp sales and other postoffice business. Building operations during October involved a total expenditure of \$888,950 as against \$389,650, the same month in 1911. The total for the first ten months of 1912 is \$13,162,892, as compared with \$3,927,753, the same period in 1911. For the fiscal year ended October 31st, the expenditure for buildings amounted to \$13,297,847.

Advance reports from the heads of the several departments having charge of the public utilities in Edmonton for the fiscal year ended October 31st show gains over 1911. The electric light department estimates its surplus at \$75,000, while the telephone department has a balance of \$6,000, despite heavy capital charges. The street railway department will have a deficit of about \$15,000, due largely to extraordinary improvements and a higher wage schedule. The water works department, which reported a deficit of \$18,000 in 1911, expects to cut this down to less than half that amount for 1912. Other departments show substantial gains.

The municipality has expended a large amount of money for improvements and betterments in the last twelve months, and it is estimated that between \$10,000,000 and \$15,000,000 will be required during the fiscal year beginning November 1st. The city is rushing its building work. Commissioner Chalmers has entered into an agreement with the Edmonton local of the Bricklayers and Masons International Union to import craftsmen and pay their transportation from outside points. The local union guarantees that the men will remain in the city's employ until the work is completed. The prevailing scale for bricklayers is 75 cents an hour, nine hours constituting a day's work. In some instances contractors are paying 80 cents an hour, with 50 per cent added for overtime.

Wholesale and retail merchants in Edmonton report large increases in business this year over 1911, and architects and contractors say they are two years behind in their work. It is estimated that building operations in Edmonton will amount to between \$20,000,000 and \$25,000,000 next year.

Managers of banks say there is a steadily increasing demand for money for buildings and business extensions, and mortgage houses report there is no difficulty in handling loans. Outside capital continues to come in for investment purposes and on the whole every prospect is that the coming year will show larger gains than were made in 1912 over 1911.

Grain is moving steadily and heads of traffic departments are bending every effort to avert blockades. The weather is all that could be desired to facilitate shipping. The grain crop was the largest in the history of the district, and the quality of wheat, oats and barley is higher than in previous years.

There is also much activity in the country districts, where raw lands are being prepared for cultivation. More than 5,000 homesteads in the Edmonton district have been entered

since the beginning of the year. This means an added rural population of at least 20,000, in addition to which fully 3,000 farms have been bought outright by homeseekers. The city market also maintains a healthy tone.

Construction work is progressing on the various lines of railroads out of Edmonton, and new territory is being tapped. Manufacturing plants are being established in Edmonton, and in towns throughout the district, and existing factories are being enlarged to meet trade requirements.

R. Mason, a capitalist of London, Eng., who is in Edmonton with Dr. J. E. Cox, also of London, said in an interview here on November 1st that with the exception of trust funds practically all available money for investment purposes is being transferred to Canada from Great Britain to escape the heavy burdens imposed by the Lloyd George financial plan. Mr. Mason already has invested several hundred thousand dollars in western Canada and expects to largely increase his investments during the present visit in Edmonton and central Alberta. Mr. Mason says he is convinced there is no better field for investment in the world than Canada. His policy is to buy only inside business properties which, he finds, pay the best returns. He pays cash for all he buys, thus eliminating the interest charges, and he declares that by selling on terms he has been able to realize his full purchase money in the majority of cases on the first installment.

W. A. Wright, assistant manager of the Imperial Bank of Canada at Vancouver, and formerly inspector, has been appointed assistant manager of the Bank of Edmonton. The growing importance of Edmonton and the large business the Imperial bank does in this city has induced the head office to appoint an assistant to G. R. F. Kirkpatrick, who has been manager since the branch was opened nearly twenty-two years ago. When Mr. Kirkpatrick opened the bank in Edmonton, it was the only branch of a chartered bank north of Calgary, and the whole banking business of the country was transacted by himself and one assistant. To-day this bank has in the Edmonton main office and branches a staff of fifty.

San Francisco

In its financial letter of October 25th the American National of San Francisco says:

"In wholesale lines, trade is generally better than it was at this period last year. The business of the telegraph companies also shows a substantial increase. Some complaint is heard in retail circles, where trade in fall and winter goods has been retarded by the warm, bright weather prevailing all through the month. Collections are slow in some lines. Bank deposits have increased during the past two months, due mainly to increases in loans, and there is a very active business in foreign bills of exchange, incidental to fall shipments of fruit and grain.

"The abstract of reports made to the controller of the currency by the national banks on September 4th, shows a very satisfactory condition in the reserves held by the banks. The percentages are fractionally higher than they were on September 1, 1911, showing that the banks were well prepared to meet the unusual demands of the harvest season. Of the 797 millions of national bank resources in the Pacific states, nearly one-third is found in San Francisco alone.

"The harvest season is progressing satisfactorily in California, and the returns to growers, though perhaps falling short of last year's figures, will be quite large. The California barley crop is estimated this season at from 450,000 to 475,000 tons, as compared with

518,000 tons in 1911. Prices have ranged lower than last year, and the exportation has been mainly in the direction of Europe. The 1912 wheat crop in this state is put at 175,000 to 200,000 tons, as compared with 228,000 tons in 1911. The shipments of fresh deciduous fruits, reported by the California Fruit Distributors, were 11,625 cars to October 16th, as compared with 10,405 cars to the same date last year. It is probable that the season will close with total shipments some 500 carloads less than the record of 1911, the decrease being almost wholly in grapes. In dried fruits the output promises to be very heavy. Indications are that the 1911 pack of prunes, amounting to some 95,000 tons, will be equaled if not surpassed this year. Raisins will probably reach a higher total by 10 or 15 per cent, the outlook being for the largest crop in the history of that industry. Both prunes and raisins are being sold on a much lower basis than in 1911, and the growers will not profit so largely as they have done in the past two years. Coincident with the marketing of deciduous fruits, the new crop of citrous fruits is beginning to move. Orange picking has already begun in Tulare county, and within another month the golden fruit will be pouring into Eastern markets to supply the holiday requirements. The outlook in this industry was never more promising, and those in close touch with the situation predict that shipments of oranges, lemons and grape fruit from California during the coming season will total 53,000 carloads, as compared with 40,000 last year, and 46,394 in the record season 1910-11."

Sacramento.—Notable increase in the financial transactions of the state during the last two years is shown by State Treasurer Roberts in his biennial report for the period ending June 30, 1912. During the biennial period covered in the report the total receipts (exclusive of transfers) were \$39,323,132.21, exceeding the receipts of the two previous years by \$3,736,767.68, and the payments (exclusive of transfers) were \$36,620,818.17, exceeding the payments of the two preceding years by \$930,627.50. The receipts exceeded the payments by \$2,702,314.04. The balance on hand in the State Treasury June 30th was \$9,903,533.86, while on June 30, 1910, the balance was \$2,702,314.04 less or \$7,201,219.82. There has been a large increase in the amount of State funds deposited with banks authorized under the provisions of the State Deposit Act. On June 30, 1908, the end of the first year under the act, the deposits aggregated \$3,668,150 in 82 banks; on June 30, 1910, \$5,636,000, in 151 banks; June 30, 1911, \$5,435,990 in 150 banks, and on June 30, 1912, \$8,733,360 in 195 banks. The amount of interest earned on deposits has increased, and the average interest rate has also increased. The total interest collected at the end of the 60th fiscal year, June 30, 1908, was \$87,733.87; on June 30, 1910, \$101,915.99; on June 30, 1911, \$102,950.35, and on June 30, 1912, \$163,412.60.

Sacramento.—The Capital National has taken steps to build a handsome six-story bank building to cost about \$150,000. Half of the first story will be used for bank purposes and the other half for stores. The remaining five stories will be devoted to offices. The building will be modern in all its appointments. The structure will be finished in brick, the same as the present building, and terra cotta columns and ornamentations to match. The first story of the present structure will be retained.

C. M. Buck has resigned as president of the Citizens National, Faribault, Minn. He is succeeded by H. F. Kester, who was vice-president. Mr. Buck has sold his interests in the bank to the present directors.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Cordova, Tenn.—The Bank of Cordova has been organized with \$20,000 capital. Its officers are: W. G. Allen, president; J. B. Ellis, 1st vice-president; W. M. Lurly, 2d vice-president, and A. F. Falls, cashier. The bank will erect its own building.

Millwood, Ga.—The Millwood Bank has been organized here.

Des Moines, Nov. 6th.—If any city can produce more new bank buildings in a single year than Des Moines, we would like to know about it. Four new structures are now in process of completion and will be occupied within the coming fortnight or so. In fact, the Mechanics Savings is already in its handsome new building and President Gilger E. MacKinnon is wearing a most expansive smile as he sits in his mahogany-trimmed office and greets his many friends. Just across the street, the Central State is finishing a building that will perhaps be the finest bank building in the state. It has not been opened for inspection, but those who have been permitted to peep within declare that this building is going to surprise the natives. In East Des Moines, the Home Savings is getting ready to move into its new quarters and the Iowa Trust & Savings is likewise preparing to stow itself away in the beautiful new six-story Teachout building. Of course each bank will have a formal opening, and it is said that the rivalry as to which will give away the finest souvenirs has reached such a stage that one banker is considering twenty-dollar gold pieces as souvenirs when his opening is held. Just to keep up the interest in new bank buildings, the Des Moines National announces that it will add another story to its new building within a few months, and the German Savings is planning a new structure following the passing of the controlling interest to John Cavanaugh and John Hogan, two aggressive young financiers. Des Moines banks are booming and prosperous.

Increase in Capital Stock

In addition to its announcement of another story to its building, the Des Moines National, through President Arthur Reynolds, announces a probable increase of capital stock from \$500,000 to \$750,000 on January 1st. This institution has made remarkable progress and the deposits are now nearly \$6,500,000. This is an increase of a million dollars in the past year. The directors have not taken definite action toward this capital stock increase, but it is regarded as certain to come when the annual meeting is held.

Forger Given Seven Years

Bankers over the country will doubtless be pleased to know that Charles E. Baldwin is now serving a seven years' sentence in the penitentiary for working a neat forgery on the First National at Hawarden, by which he secured \$3,300. Mr. Baldwin was captured at Vancouver, returned to Hawarden and sent up. When he first arrived in Hawarden he told the people that he was a traveling man heavily interested in an estate at Brooklyn, N. Y. He forged the name of the Brooklyn Trust Company and of the judge of the probate court in that city to a statement showing his connection with this estate. Then, while he wormed his way into the good graces of the financiers in Hawarden, he managed to borrow sums totaling \$3,300 before he skipped.

The First National Bank DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

On Trail of Clever Forger

Secretary P. W. Hall of the Iowa Bankers Association is making frantic endeavors to locate the chap who is traveling through the East, registering as Earl Dunbar from Des Moines and passing checks without number on the Iowa National of this city, in which he has not a cent and never did have. Occasionally he varies the performance by signing his name as John M. Boyd. Thus far he has secured something like \$1,000 and the A. B. A., while on his trail, has not landed him at this writing. Dunbar has his wife with him, it seems, and he has been working at Portland, Me., Boston, Hornersville, N. Y. and other eastern points. He formerly served time, according to information received by Mr. Hall, and it is said that one of his victims is a philanthropically inclined woman at Portland who advanced him \$20 when he was released from prison. A few days ago, Dunbar and his wife visited this woman, thanked her, told her what a fine business he had developed at Des Moines, gave her a bogus check for \$50 in payment of the \$20 she advanced him when he was freed and ended by securing her endorsement to a bunch of other checks which he cashed in Portland before "blowing the burg." The \$30 excess of the \$50 check which Dunbar gave the woman was to be used by her in helping out other poor victims such as Dunbar had been. This fellow seems to have unlimited nerve, Secretary Hall says.

Bloodhounds Trace Bank Robber

Bloodhounds have often been used in Iowa to track bank robbers, but the dogs were used successfully at Gilbertsville the other day to run down the parties who had thrown a big stone through the plate glass window of the German Savings of that city the preceding night. When the bankers reached the place the next morning they determined to capture the guilty parties if possible. Accordingly the sidewalk was covered with planks and dogs at Springfield, Ill. were summoned. Upon their arrival the walk was uncovered and the dogs were quick to take up the trail. They ran through streets, alleys and back yards until they struck a road leading to the country. This road was followed for two and a half

miles, when the dogs went into a stable, smelled a buggy and two horses, then took to the corn fields. They led the officers to a man who was husking corn, then they stopped. The man was taken back to Gilbertsville, where he confessed to the act and said that his only excuse was too much liquor aboard on the preceding night.

Gain in Clearings

Des Moines bankers found the month of October most satisfactory. The clearings for the month totaled \$23,563,545.71. As compared with the clearings for the corresponding month last year, this is a gain of \$4,497,920.49. For the final week of the month the clearings totaled \$4,583,314.47, an increase over the clearings for the corresponding week last year of \$733,679.80.

Will Investigate Question of Assignment of Wages

An interesting point involving the question of assignment of wages has been taken to the supreme court by the Milwaukee railroad, which seeks a ruling. G. W. Vanlaningham, a short loan agent, claimed \$4 on an assignment of wages of A. A. Smith, a brakeman. In the lower court, the loan agent won out, but the railroad wants to know more about such affairs. The outcome will be of interest to all railroads, as they have strict rules relative to the assignment of the wages of the employees.

Case Settled by Bank Paying

An echo of the case of L. R. Hough, once a packing house magnate in Des Moines who failed at the business, was up for a hearing in the courts at Des Moines, but settled out of court. Alex G. Buchanan & Sons sued the Century Savings of Des Moines for \$8,796.69, alleging that Hough bought stock from the plaintiffs at Kansas City, shipped it to Chicago and deposited a draft on the Chicago firm in the bank with the bill of lading. He would then check on the draft to pay Buchanan. The question arose when Hough failed, whether the draft on the Chicago firm represented actual cash in the bank. The bank refused to recognize his checks because of his insolvency. The case started in for a ten days' session, but was settled by the bank paying Buchanan \$250.

Farmers Savings at Colo

Senator A. B. Cummins took an active part in the laying of the corner stone of the new Farmers Savings at Colo one day last week. The senator was campaigning in Story county with Judge S. F. Prouty, candidate for re-election to congress and a close personal friend of the senator. The directors of the bank seized the opportunity to pull off a very interesting program and Senator Cummins in a very brief address laid the stone. There are sixty-six stockholders in this institution and they include the best known farmers and business men in that section.

Forger Up for Trial in Tacoma

E. DeSalyards, captured in Denver on charges of forging a check for \$45 on the Mechanics Savings at Des Moines, is now at Tacoma, where he faces a charge of much more serious import, brought by a bank of that city. It has been discovered that DeSalyards once did time in Iowa, or at least that is the information in the hands of Secretary Hall of the I. B. A. He has relatives at Lake Park. His wife is at Mason, Wis., where she is staying at the home of a sister. DeSalyards went under the name of E. Southern in Iowa. His picture is being sent broadcast.

Get Burglary Insurance

Secretary Hall of the I. B. A. is sending out a grist of blotters designed to call the attention of bankers to the necessity for burglar insur-

ance. As Secretary Hall is representative of a company and the commissions derived from selling insurance in the concern go to the protection fund of the association, he urges all members to bear him in mind in placing this class of risks.

Iowa Banking Notes

Mrs. Felthous, mother of George H. Felthous, the well-known banker at Rockwell, City, died at her home in that city last week. She had been a resident of Rockwell City since 1871.

E. D. Hurlburt, vice-president of the Merchants Loan & Trust Co. of Chicago, was the principal speaker at the regular meeting of the Des Moines Bankers Club, November 7th.

G. C. Allison of Peterson and Vernon H. Wilson of Grundy Center have purchased stock in the Grundy County National and the Grundy County Savings and will take active charge. Mr. Allison will remove to Grundy Center to become vice-president, and Mr. Wilson will remain as cashier.

J. P. Fox, with his father and brothers, has purchased the controlling interest in the Exchange State at Stuart. Mr. Fox has been for eight years connected with the institution. Prior to that time he was with Brenton Bros. at Dallas Center. Mr. H. L. Mackthorn will remain as cashier. The Exchange Bank was established in 1872, passed into the hands of the Savages and has remained in that family until the sale just completed.

George E. Roberts, director of the mint, and formerly well-known Chicago banker, passed through Des Moines while enroute to Fort Dodge to vote.

Mark B. Nelson, cashier of the Farmers State at Atlantic, was in Des Moines last week. He declared that the political campaign has not in the least affected the business of the institution with which he is connected.

J. W. Miller, Jr., has decided to go in business for himself and has accordingly resigned from the Bank of Denison.

C. E. Harding has resigned as cashier of the State Bank at Yetter to become cashier of the Farmers Savings at Sac City.

Sioux City

BY JOHN J. BIDDISON

Ugly stories that have not yet the warrant of official statements are out following the disappearance a week ago of Peter Lutz, cashier of the bank of Zell, S. D., a small town near Faulkton and Redfield, S. D. Lutz left town a week ago, driving to Redfield, and no report of him has been heard since that time. An investigation of his accounts was made Saturday by a state examiner and no statements were given out, though unofficial stories hint at a shortage of about \$12,000. It is reported in this connection that the shortages are covered by forged notes and manipulation of certificates of deposits.

Goes Into Automobile Business

Kenneth Ellis, who has been paying teller of the National Bank of Commerce, has resigned his place and gone into the automobile business with W. R. Simpkin, of Chicago, and M. L. Thompson, of Vermilion, S. D. They have taken space in the Davidson Auto block in Sioux City and will handle the Haynes car.

Guest of Honor at Birthday Banquet

H. C. McNeil, a director of the Security National, was the guest of honor at a banquet of the officers and directors of the institution last week at the New Martin hotel, the occasion being his birthday. There were about twenty-five in attendance.

"Bull Moose March"

E. P. Hartman, assistant cashier of the Lake View State Bank, Lake View, Ia., has composed and published a "Bull Moose March" that has been popular with band directors in this vicinity of late. It is dedicated to Theodore Roosevelt.

New Bank at Sturgis, S. D.

A charter has been issued to the Bear Butte Valley Bank, capital, \$25,000, of Sturgis, S. D. In a sense, it is to become the successor of the defunct Meade County Bank. The stockholders named in the application to the state authorities at Pierre, are: N. E. Franklin, John Clay, J. T. Craig, Ben Baer, W. E. Adams, Kirk G. Phillips, Roscoe Keene, A. M. Anderson, W. D. Hall and Joseph Meyer.

Bank Clearings

Bank clearings last week were \$15,697,450.23.

BANKS NOT FOR DIRECTORS

Albany, N. Y.—That the statutes of New York do require a director of a trust company or a bank to administer diligently and honestly the affairs of the institution with which he is identified, and that an indictment for such a failure can be sustained, was the decision last week of the Court of Appeals in the case of Charles J. Knapp of Deposit, charged with having wilfully neglected his duties as a director of the Binghamton Trust Company.

Knapp was a member of the private firm of Knapp Bros., and the specific charge was that he obtained a loan of \$2,500 for his firm from the trust company, of which he was a director, when he knew the firm was insolvent. The question came up on demurrers to an indictment for violation of section 297 of the penal law. The opinion of the court, which was written by Judge Vann, said:

"The first count of the indictment must fall because there is no statute which requires the directors of a trust company to diligently and honestly administer its affairs. The common law requires it, but this count is for the alleged violation of a statute and it cannot be upheld, unless facts are set forth showing that a statute has been violated. Mindful of this necessity, the people try to make a statutory command out of the promise made by a director in the oath of office which he is required to take and file before entering upon his duties. As said by the Appellate Division: 'The defendant is charged with the commission of a crime because he lawfully omitted to do what he said he would do when he took his oath of office as a director.' A promise through an official oath to diligently and honestly administer the affairs of a corporation is not a command by the legislature to thus administer them, so as to meet the requirements of Section 297 of the penal law. Promise to do or to omit is not a command by the legislature to do or to omit, even when the form of the promise is prescribed by statute.

"Although it is the duty of directors to so administer, the duty is not created by statute, but springs from the common law. The question is not whether the defendant violated his oath, but whether he lawfully did an act expressly forbidden by law or lawfully omitted to perform a duty imposed upon him by law, which means an act required or forbidden by statute. The wrong done was a failure to obey some statute when no statute commanded obedience.

"Stringent restrictions are placed about the directors, so that when acting both for the bank and for one of themselves at the same time, they must keep within certain prescribed lines required by the legislature as essential to safety in the banking business. Hence, when the legislature commanded that loans exceeding in the aggregate one-tenth of its capital should not be made by any trust company to any director

directly or indirectly' it intended to include such transactions as the one here involved. It did not mean to limit prohibition to a director borrowing in his own name and not as a member of a firm."

In touching upon the liability of Knapp and holding that he must stand trial on three counts of the indictment, Judge Vann says:

"Banking institutions are not created for the benefit of directors. While directors have great powers as directors they have no special privileges as individuals. They cannot use the assets of the bank for their own benefit, except as permitted by the law. Stringent restrictions are placed upon them, so that when acting both for the bank and for themselves at the same time, they must keep within certain prescribed lines regarded by the legislature as essential to safety in banking business."

According to the indictments, the firm of Knapp Brothers were indebted to the Binghamton Trust Company for over \$24,000.

CALIFORNIA STATE BANKING REPORT

In the third annual report of the state banking department to the governor, just made public, Superintendent of Banks W. R. Williams made a number of important recommendations. One of the most important is that suggesting that a more liberal policy should be adopted by permitting loans to firms, partnerships, companies and corporations in which directors, officers and employees of commercial banks are interested. Mr. Williams says many of the infractions of the law have their source in illegal burdens which were assumed by the banks before the present bank act became operative. For violations of comparatively minor provisions of the law he advocates fines instead of prosecution for misdemeanor. For major offenses, which jeopardize the stability of institutions, the penalties should be in the category of felonies. A solution is proposed for the problem that confronts banks holding bonds now illegal for bank investment under the State banking act. After referring to the law which provides that banks shall rid themselves of these investments gradually, but sets no date when all such investments shall have been worked off, Williams recommends that the law be so amended that all of the investments which were legal when made but which may have become illegal be eliminated within five years by writing off at least 20 per cent of the original book value of the unsold part every year until the full amount has been retired. He declares that this will not inflict any injury nor will it expose either the stock market or the banks to danger.

Other recommendations made by Williams are: That the sale of corporate stock be safeguarded; that the law barring a director of a banking institution who hypothecates his stock from ever being a director again be amended to provide a reasonable penalty; that school banks be fostered; that the so-called immigrant banks be regulated and brought under State supervision; that a maximum for a savings bank loan may be fixed; that the capital of savings banks be required to keep pace in some ratio with their deposits when the deposits exceed \$10,000,000; that a new classification of banking corporations be made according to the population of the localities in which they are doing or desire to do business, and that the capitalization be based upon this classification; that expert investigation of every security which a savings bank may accept as an investment be provided by the state, the applicant seeking to receive favorable consideration of its securities to bear the expense.

Williams would have the state supervise strictly all persons offering securities or investments of any character, and punish by heavy fines anyone doing any form of banking illegally. National banks which are acting as depositaries for the funds of state banks must obey the state code,

Williams declares, and national banks that seek to accept funds in a savings department are warned that they cannot, under the state law, advertise as savings banks.

During the fiscal year 37 new state banks were organized and 16 branch offices of existing banks were established. Four commercial banks added new departments. Seven savings banks did likewise and four trust companies added departmental banking business. Nine state banks changed their names, eight state banks voluntarily liquidated their business, and paid their depositors in full, nine went into the national system and two nationalized their commercial departments.

TEXAS BANKS IN GOOD SHAPE

Austin, Texas, Nov. 4.—In his annual report for the fiscal year ending August 31, 1912, B. L. Gill, commissioner of insurance and banking, makes a number of important recommendations. Commissioner Gill recommends that the salary of the commissioner should be materially increased, "in order that the administration of this department may be elevated to a high standard and a more permanent basis." The commissioner believes that by constant change of commissioners a chaotic condition of affairs is created.

"This should be a business and not a political arm of the state government," declares Mr. Gill. "Scarcely an individual in Texas but is more or less directly affected by this condition and it is to be hoped that the next legislature will be broad enough to see the necessity for this recommendation." He points out that the salary of \$2,500 now paid the Texas commissioner is the smallest of any state in the Union.

Commissioner Gill also recommends the application of civil service rules to all employees of this department, in order to give it that permanency good business results demand. He calls attention that this rule has been followed out by him during his administration. The commissioner does not recommend the segregation of the insurance from the banking department, he believes that with an efficient chief clerk at the head of each department that it could be more economically managed with one commissioner, provided the salaries are made sufficiently attractive to obtain efficient men. He recommends that an appropriation be made for the employment of a special attorney to look after the legal affairs of these combined departments.

Many Legal Questions Raised

"This department has grown so rapidly that this has become an imperative necessity," says the commissioner. He points out that so many technical questions arise that must be referred to the state's legal department that the department now occupies most of the time of one of the assistants in the attorney-general's department.

Commissioner Gill declares it is a mistake to permit the organization of state banks with a capital stock of less than \$25,000, unless a provision is added to the banking law, giving the commissioner and banking board more authority than they now have. He points out that while a very large number of the smaller banks are well managed and prosperous most of the troubles of the department come from these smaller institutions.

"So while I do not desire to arbitrarily go on record as opposing the small bank, I do think to make the minimum capital larger would prevent many of the evils caused by the ease of organization, and this even could be largely corrected by giving the commissioner and banking board larger discretion in granting permits when in its judgment the real need for a bank does not exist."

The commissioner favors an amendment to the banking law preventing any officer, clerk or bookkeeper of such banking institutions acting as proxy, and that no shareholder whose liability is past due and unpaid shall be allowed to vote. Mr. Gill believes that the law should be so changed as

to place private banks under the jurisdiction of the department or some other delegated authority.

Opposed to Overdrafts

Recommendation is made for the repeal of subdivision II, section II, chapter 10, acts of the first called session of the twenty-ninth legislature relating to the powers of trust companies to make bonds, "as it is a menace to such bank and trust companies and absolutely a dangerous provision." The commissioner also recommends that the law should also be so amended as to provide that no trust company shall be organized with a capital stock of less than \$100,000 in cities having a population of 20,000 or more. Such an amendment would place the banks on the same footing as the trust companies.

It is pointed out that with the co-operation of the national comptroller of currency, a strong effort has been made during the year to discourage overdrafts with most encouraging results. The commissioner says it is a dangerous practice. "A law forbidding overdrafts entirely would be recommended," asserts Mr. Gill, "but for the fact that the state banks might be placed at a disadvantage with other banks unless such law should be passed by other systems."

As an indication of the wonderful growth of the state banks and state bank and trust companies in Texas since the banking law has been in operation it is shown that when the first call for a financial statement was made on September 30, 1905, 29 banks reported with total resources of \$4,341,886.94, while at this time the report discloses there are 728 banks and trust companies in operation with resources aggregating \$113,474,191.62. During the past fiscal year 77 banks and trust companies have been permitted with aggregate capital of \$3,169,000, as compared with 109 banks and trust companies passed by the state banking board for the fiscal year ending August 31, 1912, with an aggregate capital of \$2,522,000.

Remarkable Growth is Shown

"This comparison is encouraging," declares Mr. Gill, "to the department, since it shows that the average capital of banks organized for the first period is \$23,137.61, and those admitted for the past year average \$41,157.14." It is shown that during the fiscal year just ended 45 banks increased their capital stock \$772,500; five trust companies increased their capital stock \$445,000, making a total increase of \$1,217,500, less four banks that decreased their capital stock \$60,000, leaving a net increase of \$1,157,500. From August 14, 1905, when the first banking corporation under the law was organized and chartered, to September 1, 1912, it is shown that 752 banks with a capital of \$17,242,500 have been authorized, making a total of 839 banks and trust companies with a total capital of \$31,157,500. During that period 25 banks and trust companies with a total capital of \$5,235,000 have liquidated, and 86 state banks with a total capital of \$1,375,000 also liquidated. The total capital, surplus and undivided profits of the 728 banks and bank and trust companies now in operation is \$33,961,890.17. There are also 18 banks maintaining savings departments with total deposits of \$1,706,417.34. With the exception of six banks, all liquidations have been voluntary. The balance to the credit of the depositors guaranty fund on August 31, 1912, was \$599,317.75, against a balance of \$495,685.67 on August 31, 1911. It is also shown that the total number of banks taking advantage of the bond system of protecting its depositors is 53, and the bonds aggregating \$5,581,000, against 45 for the preceding fiscal year, when the bonds reached \$4,281,000. The total expenses of the 15 state bank examiners for the fiscal year, including salaries and compensation, and traveling expenses of the commissioner reached \$59,416.02, and office expenses, stationery, etc., \$1,060.57, making a total of \$60,477.50,

while the examination fees for the same period aggregated \$60,477.50.

Better Banking Required

The commissioner observes that it has been necessary in numerous cases to require the resignation of certain officers and directors of state banks for repeated violations of the laws, or for incompetency, and every possible care has been exerted in passing upon the character and qualifications of officers in new banks.

"One of the regretful conditions that exist in our state bank system," declares the commissioner, "is the prevailing idea that any one can run a state bank, even without any previous experience, and also that anybody can get a permit to start a bank without reference to financial responsibility, character or qualifications, but this is gradually disappearing as applications are filed and requirements shown.

NATIONAL CITY, NEW YORK, CIRCULAR

The National City Bank circular for November calls attention to the large increase in the proportion of manufactured exports from this country to total exports. Since 1880 the value of these exports has increased \$900,000,000, or 730 per cent. They now form 47 per cent of all exports, whereas they were only 14.8 per cent of all in 1880. Foodstuffs constituted about 56 per cent of total exports in 1880, but represented only 19½ per cent for the fiscal year 1912. The census figures of 1910 showed an increase of but 11 per cent over 1900 in the persons engaged in farm work and an increase of 30 per cent among those engaged in manufacturing enterprises.

MICHIGAN BANKER DEAD

Ovid, Mich., Nov. 5th.—Marcus L. Taft, vice-president of the State Savings Bank, died at his home Sunday from heart trouble. Mr. Taft was born in New York, Oct. 15, 1839, and came to Michigan when he was seventeen. He located on a large farm near this village. For the last ten years he had made his home in this village, where he was active in financial circles.

BANKER GETS SIX YEARS

Raton, N. M., Nov. 4th.—A. Probert was sentenced to from six to eight years in the penitentiary to-day at Taos, N. M., on a charge of embezzlement. Probert was convicted of embezzling \$500 from Roya Clifford while president of the State Savings Bank at Taos. The bank was closed a year ago following an investigation by State Examiner John Joerns.

He was convicted on a charge of embezzlement at Waupun, Wis., in 1895, and was sentenced to two and a half years in the Wisconsin penitentiary. Subsequently Probert, who was known here as C. P. Davis, is said to have established banks at Niles and Eau Claire, Mich.

UNLOOKED-FOR TONNAGE OF WHEAT

Tacoma, Wash., Nov. 4th.—Transcontinental railroads are receiving an unexpected east-bound tonnage by a sudden purchase of nearly a million bushels of forty fold and other varieties of Washington soft wheat, by the millers of Tennessee and other states east of the Mississippi. The purchases result from shortage of soft wheat there. Buyers paid 2 cents or more above coast export prices. Other milling concerns are investigating the situation, with the view to buying 3,000,000 bushels or more. Pacific Northwest farmers have sold 80 per cent of their crop. Ninety per cent has been delivered to warehouses.

S. W. Straus of S. W. Straus & Co., is in New York.

SPRINGFIELD (ILL.) CORRESPONDENCE

(Continued from page 23)

Kewanee were in Peoria last week and made an inspection of the Farmers National. The Kewanee bank is having a new building built and the bankers went to get suggestions from the handsome new quarters and the immense vault of the Farmers National.

Retired Bankers Dead

Word has been received at Ashmore, Ill., of the death of W. S. Honn, formerly president of the Corn Exchange, Ashmore, at his home in Lebanon, Kansas. Mr. Honn was seventy-five years of age and had lived in Ashmore township all his life until a few years ago, when he moved with his family to Kansas.

Benjamin J. West, Sr., Belleville's oldest and most highly respected citizen, who has been making his home for some years with his son,

B. J. West, Jr., of Minneapolis, Minnesota, passed away at the home of his son, Tuesday morning, according to information received in Belleville. Mr. West formerly was engaged in merchandising, banking, and farming in Belleville. When he was seventy-five years old he retired from active business. In 1900 his wife died and he then moved to Minneapolis, which he had visited first in 1862, to make his home with his son, Benjamin J. West, Jr.

Plan Large Corporation

Henry D. Sexton, president of the Southern Illinois National, and Fred Hottes, merchant, have admitted they are actively interested in an effort to organize a \$350,000 company to take over the East St. Louis plant of the Republic Iron and Steel Company and revive the iron industry in East St. Louis. Three months ago the Republic Company decided to devote all of its iron to the manufacture of steel and closed its iron mills in East St. Louis. More than 1000 men were thrown out of work and a pay roll of nearly \$1,000,000 monthly was stopped. Thomas Cunningham of East St. Louis and H. C. Large of St. Louis, superintendent and assistant superintendent, respectively, of the East St. Louis plant, began an effort to organize a company to continue the iron mill in East St. Louis. They were unsuccessful in their efforts until a few days ago, when Mr. Sexton and Mr. Hottes became interested in the project. Mr. Sexton said the organization of a new company seemed certain, and predicted the mill would be in operation in a short time. The Republic Iron and Steel Company had ordered the dismantling of the East St. Louis plant, but withdrew the order when it was informed local men were preparing to reopen the plant.

Bank Will Remain Open Saturday Night

The Security Savings Bank at Waukegan, Ill., hereafter will remain open every Saturday night between the hours of 7:30 and 9:00. This is the first time since 1907, when an agreement to close every evening was reached between the local banks, that a bank in the city will have opened its doors on Saturday night.

George Woodruff Addresses Steel Workers Club

George Woodruff, president of the First National at Joliet, in an address before the Steel Workers Club last week, urged young men to work hard and persistently and study the chances offered at Joliet. Persistency and confidence, he declared, had nothing to do with "big-headedness," calling the latter a destroyer of chances for success. "Fixed purpose plus persistency equals success," he said.

TO FRENCH LICK FOR TEN DAYS

President M. L. Mandelbaum, of the Brandt Automatic Cashier Co., has gone to French Lick for ten days' rest. The season in his line has been a very busy one.

CHANGES IN NEBRASKA BANK

Fremont, Neb.—At a meeting of the directors of the Commercial National, Otto Schurman was elected president and Arthur G. Christensen, who has been assistant cashier, was appointed cashier. Mr. Schurman, who was formerly cashier, succeeds F. McGiverin, who has become identified with the Bankers Mortgage Loan Company of Omaha. Similar changes were made in the officership of the Home Savings bank.

DIXON (ILL.) BANK TO HAVE NEW BUILDING

The Dixon National, of which J. C. Ayres is president, is having plans prepared for a \$100,000 bank building. Details are undecided.



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Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.
A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Oxford, N. C.—The Union Bank has been chartered with \$100,000 capital. W. L. Peace, J. S. Bradsher, J. D. Brooks, and L. F. Perkins are interested.

Ruffin, S. C.—The Bank of Ruffin has been organized with \$15,000 capital stock. E. H. Smith, J. W. Miley, Jr., W. W. Carter, H. D. Padgett, Jr., and Robert Black are interested.

Department of New Business

NORTHWEST

Indianapolis, Ind.—The Northwestern State Bank of North Indianapolis has been organized, with a capital stock of \$25,000. Among the interested are: W. W. Haines, Joseph Hogue, Oran Swan, O. W. Brooks, E. M. Schofield and others.

St. Louis, Mo.—The Page Avenue Bank has been organized with a capital stock of \$25,000. Among the directors are: Sam B. Payne, Jas. W. Hay, A. B. Reid, Dr. C. R. Dudley, F. M. Imholz and others.

Arbela, Mo.—The State Bank of Arbela has been incorporated by F. M. Riebel, J. L. Racy, W. A. Tucker and others. The capital is \$10,000.

Grand Forks, N. D.—The Farmers & Mechanics Savings Bank has organized with a capital stock of \$50,000. John H. Vold and others are interested. W. E. Fuller will be treasurer.

Millerton (No P. O.) N. D.—The Millerton State Bank has been incorporated with a capital stock of \$10,000. S. F. Corwin, H. T. Graves and A. D. DeNault are interested. (This town is in Stutsman Co.)

Sturgis, S. D.—The Bear Butte Valley Bank has been organized. N. E. Franklin, of the First National Bank of Deadwood, is interested with Ben Bear, of St. Paul, and John Clay, of Chicago.

Martin, S. D.—The State Bank of Martin has been organized here. T. C. Torrison of Omaha, is interested.

Ames (Story Co.) Iowa.—The Commercial Bank has been established here, with a capital stock of \$10,000. M. A. Manning is president, Clara W. Manning, vice-president, and T. W. Manning, cashier.

Monti (No P. O.) Iowa.—The Monti Savings Bank has been incorporated with a capital stock of \$10,000. A. C. Warner, Dundee, Iowa, is president.

Keokuk, Ia.—The Security State Bank has been organized with \$100,000 capital and \$25,000 surplus. W. D. Seeley is president; J. B. Weil, vice-president; A. Weber, vice-president and E. A. French, cashier.

WEST

Whitman, Neb.—The State Bank of Whitman has been organized with \$15,000 capital. W. I. Farley is president, J. H. Monahan, vice-president, and Charles Finegan, cashier.

Corvallis, Ore.—The Corvallis State Bank has filed articles. P. Avery, John Hyde, Frank Francisco, W. Knotts and Thomas Whiteborn are interested.

Valier, Mont.—A new bank is organizing here. W. W. Brant, of Harvard, N. D., will be cashier.

Langley, Wash.—The firm of James C. Langley & Company has organized with a capital stock of \$15,000.

SOUTH

Texarkana, Ark.—The Red River Valley Trust Co. is organizing here with \$1,000,000 capital and surplus. M. G. Caldwell is in charge of the organization office.

Hewitt, Texas.—The First State Bank has been organized with \$10,000 capital. W. D. Chapman, D. L. Chapman, M. C. Chapman of this place, W. W. Woodrow, J. F. Wright, W. M. McCullough of Waco, are interested.

Plainview, Texas.—The Pioneer Trust Co. is organizing here with \$25,000 capital. M. D. Henderson, general manager of the Texas Land & Development Co., is interested.

Lineville, Ala.—The Farmers & Merchants

Bank has been organized with a capital stock of \$15,000. C. E. Smith and associates are interested.

Philipp, Miss.—The Planters Bank has been incorporated with \$10,000 capital. R. C. Townes, E. C. Liddell and W. H. Dick are interested.

Hahira, Ga.—The Citizens Bank has been organized with \$25,000 capital. John A. Hodges is president, T. M. Sineath, first vice-president, F. F. McNeal, 2d vice-president, and F. D. McGarity, cashier.

Temple, Ga.—The Farmers State Bank has been organized with \$25,000 capital. L. O. Woodruff is to be cashier.

Centenary, S. C.—The Bank of Centenary has been chartered. W. M. Byck is president, W. E. Stanley, vice-president, and A. O. Johnson, cashier.

Holly Hill, S. C.—The Farmers & Merchants Bank has obtained a charter. S. J. McCoy, L. A. Carson, W. A. Moorner and W. A. Jeffers are interested.

Clermont, Fla.—The First State Bank has been organized. J. H. Compton is president, C. O. Roe, vice-president, and C. H. Goodenough, cashier.

West Palm Beach, Fla.—The Farmers Bank & Trust Co. has been organized with \$50,000 capital. George J. Currie is president, and J. B. Hickerson, cashier.

Cerro Gordo, N. C.—The Bank of Cerro Gordo is organizing. The directors are: T. E. Bardin, J. H. Williamson, C. E. Williamson, Dr. J. C. Williamson, P. E. Williams, W. B. Cooper, and J. L. Williamson.

EAST

Plain City, Ohio.—The Plain City State Bank has been chartered with \$25,000 capital. E. W. Thompson, W. B. Wilgers, Frank Cary, David Moss, Charles Wilson and others are concerned.

East Akron, Ohio.—A new bank is to be established here about December 1st. The Commercial Savings Bank of Akron is interested.

Shadyside, Ohio.—The Shadyside Bank has been incorporated with \$25,000 capital. John A. Jamison, D. A. Smith, F. McConn, J. A. Futhey and R. Sammons are interested.

Sedley, Va.—The Bank of Sedley has been organized with \$15,000 capital. Philip Rogers is president, R. L. Raiford, vice-president, and J. M. Boyd, cashier.

Riner, Va.—The Bank of Riner has been incorporated with a capital stock of \$25,000. Among the incorporators are: G. D. Surface, president; J. L. Lawrence, vice-president; G. T. Surface, cashier.

Washington, D. C.—The North Capital Savings Bank has been organized with Daniel D. Mulcahy as president; O. B. George, vice-president; Lewis Holmes, vice-president; T. Frank Morgan, vice-president, and E. H. Dyer, cashier.

Bridgeport, Conn.—Hosea Mann, cashier of the Torrington National Bank, is largely interested in the proposed Federal Trust Co., a charter for which has been obtained.

Randolph, Vt.—The Randolph Savings Bank & Trust Co. is organized with \$100,000 capital. J. W. Rowell, M. M. Wilson, and E. W. Tewsbury are concerned.

E. L. GRONDAHL IN TOWN

E. L. Grondahl, president of the State Bank of Seattle, Wash., called on Chicago banking acquaintances recently.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

FOR the good roads he has reappointed S. E. Bradt chairman, and with him are Borland, Crabb, Stimson and M. O. Williamson.

BOTH of the important committees thus retain hard-working, experienced members and the good work will be kept up. President Phillips is to be congratulated on being able to hold them in the service.

WE have a swell dinner coming from B. F. Harris. Are you in on it? Andrew J. Graham and W. D. Edens already are invited.

THE self-constituted advisory organizations, such as committees of one hundred, voters leagues, etc., all of them more or less partisan schemes when the light is let in, probably will suspend their arduous but ill-appreciated labors in Chicago for a while.

THE trick might be operated again with profit after a rest of ten or twenty years.

OUR latest copy of the "Pennsylvania Banker" contains a summary of the Detroit convention and a lengthy historical sketch of the Reading Railroad. Typographically, it is fair to look upon, and comes at "one dollar the year."

HAVE you received "at home" cards from Mr. and Mrs. Richard L.? No! Kindly see bulletin 4-II-44 for particulars.

NATIONAL LUMBERMAN'S at Muskegon has had its charter extended.

PHOEBE M. RIDEOUT is the president of the new Rideout Smith National, at Oroville, Cal.

FRANK W. FOLEY, at Dollar Bay, Mich., is organizing a new national bank.

BULL MOOSERS are a queer lot. Two McCormicks elected to office for which plainly they are not qualified by legal residence in the state. Now they come, with a balance of power in the state legislature, offering to make a deal, with either republicans or democrats, for one of the United States senatorships. That's easy. Let the democrats and republicans unite and take both places. The McCormicks can wait.

"THE result of the vote is what has been indicated plainly enough for the last three months. If Governor Wilson is as smart as I think he is, he will give the country a good administration, and I do not see any possibility of any trouble on account of the tariff for more than a year at least."—G. M. R.

FOURTH NATIONAL, New York, issued a very reassuring letter, discounting the election in advance and pointing out the cash benefits which the big crops must bring to the country.

BIG work is being done to make New Jersey checks par in New York. Charles L. Farrell of Newark can then begin to put on Metropolitan airs at once.

IN three years Fred I. Kent has extended the A. B. A. travelers' checks around the world \$36,000,000 worth. He was playing from scratch, too.

WE'RE just a little wary of the "banking paper" which carries too much railroad news and a lot of hotel ads.

FINANCE is doing good work over in Ohio for the adoption of a "Blue Sky" law.

DEMOCRATS in nearly every state can pick up a few live, ripe issues this year. In Illinois the papers and the public unite in asking both a "Blue Sky" law and a bank supervision act. Why not? The party profit would be 1,000 per cent.

ATTORNEY GEN. HOGAN of Ohio decides that constitutional amendment 34, putting private banks which use the words "bank" or "banker" under state supervision, is not automatic, but requires an enabling act. More delay!

HOGAN also decided that "where the capital stock of a state bank is but half paid in, the holders have double liability on double the amount of stock they own."

NEITHER one of these decisions will get any applause from us. Turned about completely they would.

IF you want to start a rumor in Chicago that Charles G. Dawes is going to gobble your bank, all you have to do is to cause a sudden soaring in prices of your stock. The dailies will do the rest.

JOHN FLETCHER, like T. R., has become a contributing editor. He has quite a piece in the current Northwestern Banker and, naturally, it's all about Iowa prosperity. And why not? They even raise bankers out there. Eh! John?

THIS is the feast time of the year,
When plenty pours her wine of cheer,
And even humble boards may spare
To poorer poor a kindly share.

—Emerson De Puy.

C. B. MILLS and his Iowa-Illinois syndicate are said to have taken over three banks during the week. They buy 'em in bunches now. Yes, and if you want to buy they'll sell you one.

THE Marquette (Mich.) Mining Journal, in treating of the Hammel private bank failure at Gladstone in that state, uses some very vigorous language. It says:

"THE private bank is an anachronism. In a certain sense it operates under false pretenses, despite a state law passed a few years ago with the intent of making it certain that every private bank shall show its character. There are still many depositors in private banks who do not realize their unregulated character, as compared with other banks, and who place their money in them in the belief that they are institutions subject to inspection by some government agency, and are, in that measure, guaranteed."

THE merger of the Eliot National Bank with the National Shawmut Bank brings the deposits of the latter institution well above \$90,000,000. Stockholders of the Eliot National receive \$280 a share for their holdings, \$40 a share above book value.

FRIENDS of J. H. Johnson, president of the Peninsular State at Detroit, will be pained to learn of the death of his wife last week.

IF the bull moosers in the legislature are smart they will cut out McCormick, Funk, Merriam, et al, and unite on B. F. Harris. They can make a deal with the regulars on such a man for the Lorimer succession without hurting anyone's feelings. He would be the goods.

IF the new president wants a new comptroller of the currency, Illinois democracy lines up behind Shuman, who gave sterling service at the western headquarters and who is a good banker, a sound progressive democrat and a citizen of the first rank.

NEXT thing in order is for moose papers to get back their lost subscribers—and advertisers. Did you notice the famine?

THE Mid-West Bank at Sioux City is making good use of the travelers' booklet gotten out by the Bankers' Trust, New York, to boom the sale of A. B. A. travelers' cheques.

W. R. NIGHTINGALE of the First National, Crescent City, says "THE CHICAGO BANKER is so newsy that reading it is almost like being a city banker."

AS Joseph Chapman would say, the Princeton tiger showed much greater efficiency than the Tammany tiger this time. Perhaps keeping the boy on the farm will be easier now.

TRULY Brother Schafer "done noble" in his attempts to land his friend McCormick in a good fat job. Didn't Brother McCormick "organize" to keep the hackmen away from the immigrants at the railway stations in Chicago? Of course Mr. Schafer's Transfer Company should have the business.

CASHIER.

WESTERN IRRIGATION PROJECTS WORKING OUT

The easterner knows that securities of all kinds—including irrigation bonds—were hard hit by the panic of 1907, and harder hit by failure of a great banking house in Chicago which made a specialty of irrigation bonds. Failure of that house was in no wise its own fault, but solely owing to the market being hurt by the speculative "wildcatter." Eastern banks passed word to their clients to look into all irrigation projects carefully before buying either bonds or lands. One may have heard of the land-boom campaign waged for benefit of widows, orphans, stenographers and city clerks, with a view to selling as irrigated land at top-notch prices lands high above the ditch line. Our easterners may also have heard the warning by one of the big railways—that if all the fruit lands alleged to be set out in trees were bearing, not all the cars of all the railroads could carry the fruit to market.

But the westerner also knows that, in spite of the panic of 1907 and sudden slump in bonds, more land has gone under irrigation in the West since the slump than before. Speculation and "wildcatting" were stopped by the slump. Genuine waters in genuine ditches were not. The southwestern farmer is so busy cutting five crops of alfalfa per acre each season, worth \$50 to \$60 an acre, so busy grubbing Bermuda onions that yield 60,000 pounds to the acre, worth two cents a pound, so busy trucking \$8,000 net off 19 acres in vegetables—that he hasn't time to expend much sympathy on the scatteration of a lot of "wildcats" or on the howls of the victims. More water is flowing in the irrigation ditch to-day, more profit coming from the irrigation farm, than before the collapse of the land and bond boom.

Since then the largest irrigation area known to the world has been launched in California, covering 5,000,000 to 7,000,000 acres. Arizona promises to be a second citrus grove. New Mexico already has 750,000 acres under ditch, has plans and water sufficient for 4,000,000 more, and within ten years will have under irrigation an area equal to Delaware and Rhode Island.

Collapse of the boom has worked direct good in two ways. Southwestern states have enacted drastic provisions against "wildcatting." The irrigation promoter must file with local authorities a bond, to be forfeited if he fails to carry out his project. As this bond is a proportionate percentage of estimated cost, capitalizations inflated only to sell have been effectually stopped.—A. C. Laut.

NOT CONSIDERING A MERGER

New York.—Herbert L. Griggs, president of the Bank of New York, has issued the following statement:

"Referring to the reports in last week's papers as to the proposed amalgamation of our institution with other banks, we wish to say that there is no basis whatever for such reports so far as the Bank of New York is concerned, and that there are no negotiations whatever for the merger of our bank with any other institution being considered by us."



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

BOARD OF DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President Inter-
national Harvester Company
SEYMOUR MORRIS, Trustee L. Z. Leiter
Estate
JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
of Directors Joseph T. Ryerson & Son
JOHN G. SHEDD, President Marshall
Field & Company
ORSON SMITH, President
ALBERT A. SPRAGUE, II., Vice-President
Sprague, Warner & Company
MOSES J. WENTWORTH, Capitalist

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National
R. J. CARMICHAEL, D. P. A. Bank Building
Phone Central 6270



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER - - - - - DAVID R. FORGAN, President
H. E. OTTE - - - - - Vice-President
F. A. CRANDALL - - - - - Vice-President
L. H. GRIMME - - - - - Vice-President
W. T. PERKINS - - - - - Cashier
W. D. DICKEY - - - - - Assistant Cashier
HENRY MEYER - - - - - Assistant Cashier
A. W. MORTON - - - - - Assistant Cashier
WM. N. JARNAGIN - - - - - Assistant Cashier
WALKER G. McLAURY - - - - - Assistant Cashier
R. U. LANSING - - - - - Manager Bond Dept.
M. K. BAKER - - - - - Asst. Manager Bond Dept.

"A SAFE INVESTMENT"
PLACE YOUR ORDERS WITH

KRUS ENGRAVING
COMPANY

MAKERS OF

HALF TONES - ZINC ETCHINGS
WOODCUTS - DESIGNS
AND
MECHANICAL RETOUCHINGS

STROH BLDG.

MILWAUKEE

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - - 43,380,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

NOVEMBER 16, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

D. R. FORGAN BELIEVES THAT PROSPERITY WILL CONTINUE

D. R. Forgan, president of the National City Bank of Chicago, was in New York this week on business. While there he spoke of the possible effect of the change in administration at Washington upon conditions. He believes that the present prosperity will continue, and that President-elect Wilson is too safe, sane and shrewd a man to inaugurate any fundamental change which might bring down adverse criticism upon the party. Mr. Forgan said: "Such a move would be suicidal to the democrats, and I believe that Governor Wilson's promise in regard to tariff revision will be carried out—that is to say, that it will be a gradual reduction down."

FRAME COMMENTS ON LANDIS

President Andrew J. Frame of the Waukegan (Wis.) National, has this to say on the question of bank supervision in Illinois:

"I noticed in the Chicago papers yesterday that Judge Landis had thrashed the Illinois Bankers Association for its disapproval of a good banking law in Illinois. I say he is justified therein. It is a disgrace to the state of Illinois that they should allow these fraudulent concerns to do business, and the reflection is not only on the state of Illinois, but it disgraces all the banks of the nation. Illinois should get into line at the next session of the legislature, and I believe it will. This nasty little failure that has just occurred will have a strong influence in that direction."

LIVE STOCK EXCHANGE NATIONAL

Some of the principal stockholders in the Live Stock Exchange National Bank of this city evidently expect an increase in the dividend rate to 12 per cent on Jan. 1st. The present rate is 10 per cent. Soon after the present bank took over the old National Live Stock the dividend was advanced to 12 per cent, but the rate did not hold. The price of the stock has advanced recently to 265 bid.

LARGE NUMBER TO ATTEND INVESTMENT BANKERS BANQUET

President Caldwell, of the Investment Bankers Association of America, states that arrangements have been made by the committee in New York City to take care of 500 guests at the banquet to be held at the Waldorf-Astoria November 22d.

PURCHASES FARWELL TRUST BUILDING

LaSalle Street Trust and Savings Bank has purchased the Farwell Trust Building at the southwest corner of LaSalle and Quincy Street for \$500,000. The lot is 38.8x60 feet and is occupied by a twelve-story office building, which will be remodeled immediately. When the alterations are completed, the first and second floors will be used by the bank. The sale was negotiated by Edward A. Wanner. Elbridge Hanecy looked after the details for the bank and Defrees, Buckingham, Ritter, Campbell and Eaton for the seller.

New President Irving National, New York



ROLLIN P. GRANT
NEW YORK

MR. GRANT is on the sunny side of the 40-year-street, but is nearing the crossing. He has been the active vice-president of the Irving for five years and has been in the bank since it had two millions only in deposits. Part time he has been cashier, and he knows the duties in every department of the bank. He and Mr. Pierson have been in perfect agreement and his selection and election were unanimous. Early in January the Irving hopes to be in the magnificent specially constructed banking rooms in the new forty-five story Woolworth building. Mr. Grant has a most engaging personality and a very wide acquaintance. In the west he is intimately and favorably known to leading bankers.

WANTS WORD "TRUST" PROTECTED

The following extract from a letter from President Lyman H. Dinkins, of the Interstate Trust & Banking Company, makes a valuable point. He says:

"I have read with keen interest your editorial on the improper use of banking and trust company titles. For several years I have been a member of the committee on protective laws of the trust company section and we have succeeded in having necessary legislation passed in most of the states. I attach hereto copy of the bill which has been approved by the protective laws committee."

E. D. Hulbert, of the Merchants Loan & Trust Company of your city, is a member of the committee. I would be glad to have you follow up your editorial from time to time with additional arguments, so that the Illinois legislature will be disposed to give heed to Mr. Hulbert's request for the enactment of the attached bill.

Following is a copy of the approved bill, being a copy of the Vermont statute and as passed in Pennsylvania, Virginia and Louisiana and up for passage in Georgia:

"An act restricting the use of the word 'Trust' as part of a name or title; prohibiting advertising or doing business as a trust company, except by corporations under the supervision of the state bank examiner; and providing a penalty for violations thereof."

"Section 1. Be it enacted, etc., that no corporation shall be hereafter chartered under the laws of Vermont with the word 'trust' as a part of its name except corporations re-

porting to and under the supervision of the state bank examiner; nor shall any corporate name be so amended as to include the word 'trust' unless the corporation be under such supervision."

"Section 2. No person, firm, association or persons or corporations, except only corporations reporting to and under the supervision of the state bank examiner of this state shall therein advertise or put forth any sign as a trust company, or in any way solicit or receive deposits or transact business as a trust company, or use the word 'trust' as part of his or its name or title; provided that this act shall not be held to prevent any individual as such, from acting in any trust capacity as heretofore. Any violation of any provision of this section shall constitute a misdemeanor and on conviction thereof the offender shall be fined in a sum not exceeding \$500, for each offense."

G. W. CURTISS IN TOWN

G. W. Curtiss, president of the Dime Savings and Trust Company of Peoria, Ill., was in the financial district this week. He stated that business conditions around Peoria are satisfactory, with good prospects for the future. Mr. Curtiss also is president of the Peoria Clearing House and is well and favorably known to Illinois bankers.

U. S. Treasurer McClung's resignation will call for counting of one and a quarter billions in money and securities. Will require about three months time, as he does things leisurely.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

OFFICERS

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON, Chairman Executive Committee
ROLLIN P. GRANT - - - President

JAMES E. NICHOLS	- - -	Vice-President
WILLIS G. NASH	- - -	Vice-President
BENJ. F. WERNER	- - -	Vice-President
CHARLES H. IMHOFF	- - -	Vice-President
EMIL KLEIN	- - -	Vice-President

HARRY E. WARD	- - -	Cashier
D. H. G. PENNY	- - -	Assistant Cashier
RICHARD J. FAUST, Jr.,	- - -	Assistant Cashier
J. FRANKLYN BOUKER	- - -	Assistant Cashier
SAMUEL REDFERN	- - -	Assistant Cashier

Mainly About Banks and Bankers

JUDGE LANDIS' twenty-nine million dollar fine may have been a trifle excessive, but when it comes to handling a private bank failure he's the real goods.

PROBABLY the Kirby frame-up and the Jack Johnson bond fake would have gone through any but a federal court in Cook county. Innumerable jobs of the kind are freely quoted.

TR. didn't get all of the sanitarium votes. Some of them went for Debs. Pardon us, too, for reminding the chief bull moosers that their "Doctor" Wilson and their "Professor" Wilson and our and the people's Governor Wilson are one and the same.

WE propose George Harvey of New York for chief of the weather bureau in the Wilson cabinet. He's the head "forecaster" from this point of view.

COLONEL and Mrs. Robt. J. Lowry of Atlanta were receiving telegrams all day Tuesday, the occasion being their golden wedding anniversary. A state-wide reception was held at the Capital City Club. Colonel Bob barred the presents.

LASALLE STREET TRUST & SAVINGS has bought the Farwell Trust building and will occupy it as soon as the banking room can be remodeled.

PUJO wasn't re-elected to congress. He can be spared.

"ROOSEVELT started out to wreck the republican party because it refused to nominate him in Chicago. I have no doubt he will start fulminating again as soon as he thinks of something to say. He will no doubt be a candidate for president again in 1916."—Shelby M. Cullom.

"THE stock rise was deceptive," says one of the daily papers which had for itself the chief part in circulating recent bank consolidation rumors which it now declares "off." The banks did not deceive the buyers; it was the press. Rumor mongers are dangerous.

YOU may have noticed that the consolidations and mergers which really happen rarely are touted in the dailies. That is a good way to kill a deal—or to mislead innocent purchasers.

WILSON is right in insisting that what we want is more prosperity—and that the way to get it is to give more men a chance to put their ambition and intelligence into the building of the cities and the subduing of the earth. He understands that the right way to find prosperity is to equalize opportunity.

IT is very kind of the moose papers to be so solicitous about the cabinet and the extra session. How to get back lost readers and advertisers might be a substitute worry.

TAFT says republicans should "close up ranks" and some say they should close up shop. Better include the G. O. P. in all your future political calculations for safety.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

ON Nov. 5th Joseph G. Cannon's cannon was spiked, Taft's best ball was bunkered, "Billy" McKinley's special car was sidetracked, and Roosevelt was condemned to continue association with Perkins, Flinn, McCormick and their peculiar brand of reform for another four years.

EVER look over those New York returns? Roosevelt did run ahead of Debs—just ahead.

PRESIDENT G. B. CALDWELL of the Investment Bankers, expects 500 in attendance at the New York banquet Nov. 22d. There will be a special train from Chicago at 2:30 P. M., New York Central, Nov. 20th.

IT'S rather mean of Governor Deneen not to call a special session and give the outgoing jack-potters a last chance. There may be people foolish enough to want to "put over" something in a hurry at a fair price.

VICE-PRESIDENT ALEXANDER ROBERTSON of the Continental and Commercial National is back at his desk, greatly improved by his vacation.

COMMONWEALTH TRUST, St. Louis, issues a neat pamphlet on "Certification of Corporation Bonds," which in reality is a brief statement of what a trust company should require of a corporation before becoming a trustee for its bond issues.

NO election to fill the vacancy caused by the death of the late President Hyneman of the State Bank of Lexington, Ill., will occur until the annual meeting in May.

WARE & LELAND say "a democratic victory was expected, and any direct results therefrom marketwise were naturally discounted long in advance. Everything points to continued prosperity in the United States, irrespective of conditions or local disturbances."

IN general this leading firm advises conservatism in every way and believes that commitments should be kept down to the lowest, and advantage should be taken of strong spots on which to realize on profitable transactions. They think underlying conditions will warrant higher markets, for the moment, owing to the foreign situation and also in view of a necessary money stringency, consistent with increased business, stocks should only be bought on sharp drives in a most conservative manner.

ONE private bank in Illinois is not afraid of publicity. The Farmers and Merchants at Hillsdale, near Rock Island, prints a full sworn statement at every state call. Reports paid in capital of \$10,000 and nearly \$20,000 in surplus and earnings. Deposits are \$192,000.

OUT at the apple show in Spokane every visitor gets a piece of apple pie. That would be a good stunt to pull off at the next agricultural conference in Kansas City. Apple pie is a national institution.

NEW national bank notes will have no numerals on the back. Easier to count, and much easier to counterfeit. Neither will there be numerals on the four corners.

A WRITER in the London Bankers Magazine states in a detail article that to have a cheque cashed with less than six hours' delay in a Paris bank, is to be in great luck.

WHEN J. J. Sullivan (Colonel) of Cleveland was asked his opinion of "the commercial and industrial outlook" this is what the Colonel said:

"I am quite convinced that in God's good time our country will become the controlling world-power, holding the scepter of the sea, reigning in mighty beneficence, going on, and on, and on, in the fulfillment of our mighty destiny, surmounting every difficulty, conquering every foe, preserving intact the principles of liberty and of law, and maintaining alive and undimmed the hope and promise of humanity."

NOW, would you "buy" or "sell" on that?

SECRETARY BOWMAN of Kansas has issued group programs (consecutive dates) and has engaged a special car called the "Circuit Rider" for the grand round-up. Time to get in is "early."

THE Kansas circuit is covered by the following itinerary: Kansas City, leave Nov. 12th, 9:25 P. M.; Great Bend, arrive Nov. 13th. (Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGCETT, Assistant Cashier

LANDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

CONVENIENT
EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. S. BISHOP, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

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G. H. DUNSCOMB, Assistant Cashier

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CORN EXCHANGE

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SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

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THE CHICAGO BANKER

Founded in 1898

VOLUME XXXIII

CHICAGO, NOVEMBER 16, 1912

NUMBER 20

Touches upon proposed banking and financial legislation by congress

WASHINGTON LETTER

By R. A. ALBERTSEN

Relates to administrative and department matters interesting to our readers

Washington, Nov. 14th.—Official circles here vibrate with the meaning of the victory shown by the returns for Wilson and as to the possibility and advisability of a special session. The New England protective districts all went democratic. A prominent authority says: An extra session will be called and the tariff settled for once and for all. If this were not done, it is said, business would have cause to be in fear and trembling until some final disposition is made of the tariff. It is said that close friends of Governor Wilson have talked with him since victory of Tuesday, and they found that the president-elect intends to call congress in extra session next spring and get tariff revision out of the way. He does not intend to wait until the regular session in December, 1913, to have revision undertaken.

It is pointed out that tending strongly to confirm the idea that there will be an extra session called is the fact that Majority Leader Underwood of the house has since the election come out with a statement saying he favors an extra session to revise the tariff. It is known that Governor Wilson and Mr. Underwood in recent months have conferred on the tariff and found themselves in close accord. It is also significant that politicians are declaring that Mr. Underwood does not desire to take a cabinet position, but that he prefers to remain in the house at the head of the ways and means committee. He believes that he has more opportunities here to do effective work. With this point firmly established the country can easily estimate the temper of the tariff bills which may be passed at the extra session next spring. First will be taken up the cotton and the wool bills, then the steel and the chemical bills and the sugar tariff. These, it is expected, will be pretty much like the Underwood bills reported to the house last winter and which failed to become a law.

Heavy Democratic Responsibilities

Though the huge proportion of the electoral vote which is to go to the democratic ticket when the electoral colleges send in their returns in December makes the election look like a "landslide" or a "tidal wave," a sober examination of the popular vote, so far as incomplete returns reveal it, indicates that the result was not a real democratic victory. It gives the party a magnificent opportunity, but with that it carries an impressive warning. A fairly close estimate can now be made of the vote for electors in all the important states, and it is clear that the combined vote of the republican and progressive parties greatly exceeds that of the democratic party. It considerably exceeds that for the republican ticket in 1908, while it remains doubtful whether the democratic

vote is in excess of that cast four years ago by as great a ratio as the increase in the total vote. Fairly accurate calculation is made from returns which give a total of about 14,000,000 votes—probably seven-eighths or more of what the final aggregate will be,—and this indicates about 2,000,000 plurality for the Taft-Roosevelt poll over that for Wilson. In such states as Massachusetts, Connecticut and New York, and even Wilson's own state of New Jersey, the margin is wide. In Illinois and Pennsylvania it is enormous. It is large in Indiana, Michigan, Wisconsin and Minnesota, and it runs through practically all of the states heretofore rated as republican.

Curing a Boy of Laziness

A judge of the District of Columbia juvenile court has sentenced a boy to take a cold bath every morning. The youth was taken to court by his father, who complained that the boy was so lazy it almost required the aid of horses to drag him from bed in the morning and that he was usually so "tired" that he would not dress for school. Then the court handed down the dictum that what the culprit needed was a cold tub every morning whether he liked it or not, and to stay in it until he was thoroughly awake.

If the lad had been detained somewhere where the cold bath treatment could be administered by force the cure would undoubtedly be effective; but as he was, on the contrary, turned over to his father after sentence, it is to be feared it will be a suspended sentence. A lazy young incorrigible who will not get up when told by his father is certainly very unlikely to step out of his warm bed into a cold tub at the same parental request, even when fortified by the decree of an absent judge; and, judging by the parent's appeal to the court, the father does not have stamina enough to throw him into it. If he had, he would not have needed to go to court.

Parceling Out the Offices

When Governor Wilson assumes the presidency he will find all the fourth-class postmasters under the civil service rules. For this relief he is indebted to President Taft. There will, of course, be some pressure for place, and there will also be, as there ought to be, some changes. But we shall see nothing of the old rush. Practically all the subordinate administrative positions are now within the classified service. Not only is this so, but public opinion is strongly favorable to the new order. The people of the United States do not wish to see their president waste his time and energy in the work of distributing patronage. Few of them care who fill the offices as long as official duties are properly per-

formed. The democratic administration has many problems to solve, and a great deal of very important work to do. Governor Wilson was elected because it was believed that he was peculiarly qualified to deal with those problems and to do that work. He was not chosen to be a mere appointing machine, as he no doubt understands. The democratic party as a whole earnestly desires that its first administration in twenty years shall be a success. It will be judged, not by the number of men it appoints to office, but by the quality of the service that it renders to the people. If the democrats really have the welfare of the country at heart they will look beyond the next four years, and try so to strengthen their party in the confidence of the public as to make it a formidable factor in 1916.

R. M. La Follette Republican Leader

After the fourth of next March, Senator Robert M. La Follette, of Wisconsin, will be the republican leader in the senate. His friends look to him to point the way for a reorganization of the party on a basis that will bring back to it most of the voters who went with the new party this year. The Wisconsin senator remained regular through the political storm which started last spring and ended with the election of Wilson. He refused to join the new party for two reasons. He believed that Theodore Roosevelt was not a progressive at heart and he believed that the reforms for which he (La Follette) had been fighting for years could be brought about through the republican party. He still insists that the republican party can be made an instrument of great good, and his great task now will be to bring about a reorganization of the party that will make it a party that will have to be considered in the congressional and state elections in 1914, and in the presidential election in 1916.

Want Anti-third Term Amendment

A leader in the house here thinks that it is plainly the duty of the next congress—and it were better if this congress should do it—to pass a resolution to submit a constitutional amendment forbidding a third term—one worded so that there will be no "third cup of coffee" about it. The status of the attempt already made is this: February 1st, this year, a resolution was introduced in the house by Representative Slayden, patterned after the one aimed at Grant in 1874, that it be "the sense of this house that third terms of presidents are unwise, unpatriotic and contrary to a republican form of government." February 5th the resolution was temporarily withdrawn for the lack of a second. Representative Norris, insurgent, of Nebraska, demanded a formal second and so caused the withdrawal. The

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Resources
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CAPITAL AND SURPLUS, \$10,000,000.00

same day Representative Higgins introduced a resolution proposing a constitutional amendment prohibiting a third term and making the single term six years. The next day the question of a second to Slayden's resolution was sprung, when the Republicans hurriedly determined to refrain from voting on it.

Aldrich Plan Thought to Be Dead

The Aldrich currency bill bids fair to be a bone of contention in both houses during the December session of congress. Although strongly recommended by the monetary commission, of which former Senator Aldrich of Rhode Island was chairman, the currency bill received no attention from either the senate or the house during the session immediately preceding the recent campaign. Its friends thought it most expedient to lay it aside until after the election, but the expectation is that it will be pressed during the short session, and the report is current at the capitol that there would be an effort to reorganize the house committee on banking and currency so as to insure favorable action by that committee early in the next congress in case of its non-success this winter.

New Chairman to Succeed Pujo

Opposition to the bill is more pronounced in the house than in the senate, and it is understood that Chairman Henry of the house committee on rules would exert the influence of his position to the utmost to prevent the bringing in of a rule for the consideration of the measure unless it should be recommended by a house caucus. His position is that because of the attitude of the Baltimore convention the bill should not be acted upon by the house without the positive approval of a majority of the democratic members, given in advance of such action.

Opponents of the bill are already lining up for Representative Carter Glass of Virginia as the next chairman of the banking committee. The chairmanship now is held by Representative Pujo of Louisiana, but he will not be a member of the sixty-third congress. Mr. Glass now holds second place on the committee, but it is expected that he will be antagonized by the supporters of the Aldrich bill.

RIVER-TO-RIVER ROAD

The river-to-river road in Iowa, having a mileage of nearly three hundred and eighty miles from the Mississippi to the Missouri, was the desire of J. W. Eichinger of the Des Moines Daily Capital to perform a newspaper feat. Any man who can transform an Iowa dirt road to a nearly perfect highway three hundred and eighty miles long, and at a very slight expenditure of money, has grasped a new idea in road building. This road from Council Bluffs to Davenport is said to be a success, and is commanding the attention of the entire country, and should be an example to Illinois farmers and bankers of what can be accomplished with a persistent demand for systematic dragging of our earth roads.

IMPROVING THE ROADS IN ADAMS COUNTY

Harvey C. Riggs, vice-president and cashier of the Mercantile Trust and Savings Bank of Quincy, Ill., and a former Missourian, has great confidence in the ability of the people of Illinois to substantially improve wagon road conditions by systematic and careful dragging of the earth roads. His former residence in Missouri, where road conditions were bad, brought him in touch with D. Ward King of Maitland, inventor of the split-log drag; so that when he settled in Quincy and found that the farmers of Adams county, as well as the merchants in the towns and cities, were suffering several months each year from inability to get about on account of the condition of the roads, he immediately started to organize the commercial interests of Adams county in behalf of better roads. Through the help of the Quincy newspapers the attention of the people of Adams county was attracted to what it was proposed to do in the way of road work in the county. In the first place, Mr. Riggs personally bought some split-log drags. He took them into the country, hired teams and had the roads dragged. The progress was slow at first and it seemed as if it would be impossible to convert anybody to the use of the split-log drag. However, they kept at it and in a year or two changes began to be apparent to people going over the roads which had been dragged. After a while the farmers became interested and began dragging their own roads. About that time, D. Ward King happened to be in Quincy, and in discussing the subject he recommended the use of light weight drags drawn by horses, instead of the heavy drags which were in use and usually required four

horses for drawing. During Mr. King's stay in Quincy, the merchants and bankers were brought together, and he talked to them on the subject of road improvement by use of the split-log drag. It was brought out at these meetings that ordinarily in the state of Illinois, and in most of the adjacent states, the farmers pay the road tax and do the road work, and that is not as it should be. As a result, the farmers frequently do not feel friendly to road improvement. They say that the people of the cities have all the pleasure of the roads with their automobiles, buggies, etc., and that they do not contribute their part towards building and maintaining the roads. Therefore, Mr. King reasoned that it would help to create a better sort of atmosphere for road improvement if the town people would show some disposition to assist in the matter of road improvement. Mr. King also suggested that the town people get together a purse of a few hundred dollars by subscription and offer a series of cash prizes for various sections of road maintained by dragging. This recommendation was followed and \$865 raised. As a result, it was shown that almost every township in Adams County had entered one or more stretches of road for the prizes, and therefore splendid demonstrations were made of the use of the road drag, and the result was that it was impossible to drive in any part of Adams County, without finding a great many well dragged roads.

At the time these roads were dragged it was found that Adams County had from 100 to 150 miles of road which had been dragged occasionally. At the end of this campaign there were 500 miles of road well dragged, and at the present time there are a thousand miles of road in the county which have been dragged more or less. In addition to offering the plan of prizes as followed in Adams County, good results have been obtained from the establishment of marked roads or trails leading to various points from Quincy. The plan followed is to get the people in the towns to contribute enough money to pay for the marking, and to have at least a similar amount of cash in the treasury to be used in cases of emergency, or some other expense where the money cannot be had from the tax levied for road work.

The efforts of the bankers and merchants of Quincy, under the direction of Mr. Riggs, have been along the line of co-operation with the farmers and road commissioners, the giving of advice and the offering of prizes and the furnishing of small sums of money in addition to the levy for road work. This has brought about a good feeling between the farmers and the highway commissioners, and the members of the board of supervisors and the people generally of Adams County. While it has not produced what might be termed model roads in other parts of the country, it has awakened the interest of the people in better roads, and they have by dragging greatly improved their condition. The Adams County board of supervisors have

Geographical Distribution

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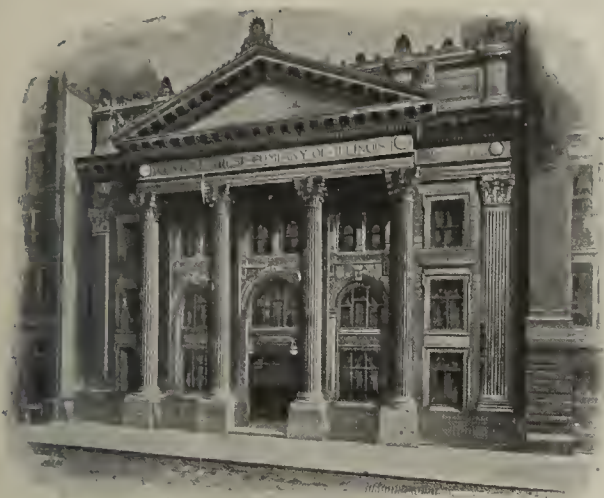
We offer three railroad bonds, each well secured and in combination making a well-rounded investment, at prices to yield an average income of over 5¼%. The traffic of these roads is derived from three widely separated sections of the country.

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Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

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endorsed comprehensive plans for state road improvement, and have asked their senators and representatives to use their votes and influence in favor of the enactment of such legislation as will improve road conditions.

The success of the Adams County plan prompts us to print a list of the gold prizes offered by the bankers and merchants of Quincy, with the hope that it will stimulate other groups in other parts of Illinois to take up this work and see if an advance cannot be made in road improvement and maintenance in Illinois.

Following is the list of prizes which were offered: For the best five-mile stretch of road, 1st prize, \$150; 2d prize, \$75; 3d prize, \$50. For the best three-mile stretch of road: 1st prize, \$75; 2d prize, \$50; 3d prize, \$25. For the best two-mile stretch of road: 1st prize, \$50; 2d prize, \$25; 3d prize, \$15. For the best one-mile stretch of road: 1st prize, \$35; 2d prize, \$17.50; 3d prize, \$12.50. For the best one-half mile stretch of road: 1st prize, \$25; 2d prize, \$15; 3d prize, \$10. All competitors were required to give notice in writing of their intention to compete for the prizes; two or more persons were allowed to compete jointly on any stretch of road.

Those who attended the group meeting held at Jacksonville last June will remember that the talk on the subject of road improvement, made by Mr. Riggs, was one of the numbers which stirred up the greatest interest and enthusiasm, and it is to be hoped that the bankers of the state will see to it that this subject is considered at all of the meetings which are held during the winter in this state, such as farmers' institute meetings, of the granges, county conferences, school and teachers' associations, and the commercial and manufacturing clubs. The Illinois Highway Improvement Association has formulated a plan for legislative action and this association should be given support by the bankers, farmers and business men of the state, in its work in co-operation with other organizations in the state for legislative action. It is deemed necessary to get away from our present haphazard system.

EXCHANGE TRUST OF BOSTON

The Exchange Trust Co. of Boston will increase its capital stock from \$250,000 to \$500,000 by an issuance of 2,500 new shares.

CANADIAN ROAD ENTHUSIAST IN TOWN

H. Maxwell Clark, an Englishman of Montreal, Canada, organizer of the Canadian Highway Association, visited Chicago last week. Mr. Clark came here in behalf of the proposed Chicago branch of the Canadian highway. Their plans contemplate building a government-aided highway from Cape Breton on the Atlantic to Alberni on the Canadian Pacific. Mr. Clark says that the Canadian government has appropriated a million dollars to start the work in Canada, and he is hopeful that when the branch from Montreal to Windsor, opposite Detroit, is finished, the people of Michigan and Illinois will see to it that the branch is continued from Detroit to Chicago and thence to Des Moines, using the river to river road which now is developing between the Mississippi and the Missouri, and intersecting at Des Moines the proposed road from Minneapolis to Kansas City, and north of Minneapolis, tapping the Canadian highway at Winnipeg. The proposed Canadian highway will pass through Quebec, Montreal, Hamilton, Windsor and Ontario, and from Detroit it is hoped to select the most available and shortest of the existing roads. Mr. Clark while in Chicago conferred with the members of the board of trade, the Chicago Association of Commerce and the Chicago Automobile and Motor Clubs. Before leaving Chicago he se-

lected Allen S. Ray, chairman of the good roads committee of the Chicago Motor Club; W. G. Edens, president of the Illinois Highway Improvement Association and Richard J. Finnegan, secretary of the highway improvement association as honorary members of the Montreal to Chicago Canadian Highway Association.

MERCHANTS LOAN ELECTS NEW OFFICERS

The Merchants Loan and Trust Company of Chicago has rewarded two of its employees for faithful service by adding their names to its official staff. The new officers elected by the board of directors are John J. Geddes, who will serve the bank as an assistant cashier, and A. Leonard Johnson, who will act in the capacity of assistant secretary. Both of these gentlemen have been connected with the Merchants Loan for a number of years.

GROWING CANTON (ILL.) BANK

First State Bank and Trust Company of Canton, Ill., organized several years ago, has a capital of \$100,000 and surplus of \$32,000. Deposits are \$300,000. U. G. Orendorff, the president, has been active in the affairs of the Illinois Manufacturers Association; George Wilson, the cashier, formerly was county treasurer of Fulton county. A. E. Taff is vice-president and G. W. Lane, assistant cashier.

MICHIGAN BANKER REPORTS PROSPERITY IN HIS STATE

H. A. Delano, president of the Allegan (Mich.) State Savings Bank, who called on Chicago banking acquaintances during the past week, says that everything looks very nice in Michigan, and that the Wolverine State is receiving her full share of the general prosperity which the country now is enjoying.

CENTRALIA (ILL.) TRUST AND SAVINGS

J. F. Mackey, who has had a valuable banking experience in Illinois, announces that the Centralia Trust and Savings Bank recently organized by him and his associates, is having a satisfactory growth. H. G. McCormick and Max Prill are vice-presidents; A. J. Guerrettaz is cashier. The bank has a capital of \$50,000 and now has deposits in excess of that amount.

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427 CHESTNUT STREET

Capital	-	-	-	\$2,000,000.00
Surplus and Profits				1,468,000.00
Deposits	-	-	-	15,397,000.00
ORGANIZED JANUARY 17, 1807				
Dividends Paid	-			\$13,267,000.00

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Edw. Stotesbury Lewis, Asst. Cashier	John Schlagle, Asst. Cashier
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ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

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Capital	-	-	-	\$ 1,500,000
Surplus and Profits (earned)				2,270,000
Deposits, over	-	-		25,500,000

OFFICERS

L. A. GODDARD, President	
HENRY A. HAUGAN, Vice-President	C. EDWARD CARLSON, Asst. Cashier
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LEGISLATORS FAVOR PRIVATE BANK BILL

A keen rivalry exists among members of the Illinois legislature as to who shall have the honor of introducing a bill abolishing private banks in Illinois. Representative Joseph C. Blaha of the nineteenth senatorial district was the first in the field with the announcement of a bill directed against private banks. He has prepared a bill which prohibits anyone from doing a banking business without first becoming incorporated and complying with the banking laws of the state. Senator Samuel A. Ettelson also expects to present a bill, which will provide for placing all private banks under practically the same restrictions as state banks, the owners of such institutions to obtain certificates from the state auditor and to permit state bank examiners to investigate their affairs at stated periods. A minimum capitalization of \$50,000 is to be required and violations of the act are punishable by a fine of \$100 a day. In addition to this there is the bill recommended by the Dawes committee.

PARIS BANKER STEALS TWO MILLIONS

Augustin Max, known throughout France as "The Blind Banker of Paris," has created a sensation in Paris financial circles by surrendering himself to the police and confessing that he has misappropriated \$2,000,000 of his clients' money. He declared that he had invested the depositors' funds in copper and nickel mines in New Caledonia. The enterprises were complete failures. Max had enjoyed the highest reputation in banking circles in Paris. He said that he had decided to commit suicide, but was persuaded by his family to give himself up to the police.

A. B. HEPBURN IN TOWN

A. B. Hepburn, chairman of the board of directors of the Chase National, New York, and for many years its president, was in Chicago this week accompanied by his daughter.

TO REOPEN PUJO MONEY INVESTI- GATION

Washington, Nov. 15th.—In response to the summons of Chairman Pujo, the members of the House committee on banking and currency are rounding up here for a meeting to complete plans for the future course of the investigation into the so-called money trust. The hearings will be resumed at an early date. Some of the hearings will be held in this city and some will be held in New York.

Subpoenas already have been issued for the witnesses to be called early in the hearings. John D. Rockefeller, J. Pierpont Morgan, George H. Baker, George W. Perkins and practically every other financier prominent in New York banking circles are expected to be questioned by the committee, in its efforts to discover whether a small group of rich men has a controlling grip on the finances of the country.

JOHN McHUGH OF SIOUX CITY

President John McHugh of the First National, Sioux City, Iowa, has been in the city most of the week. He was accompanied by Mrs. McHugh and daughter. Fall shopping and the theatres took up most of their time. Mr. McHugh was delighted to find President Reynolds of the Continental and Commercial so greatly improved.

ISSUES CALL TO HOOSIERS

Samuel M. Ralston, governor-elect of Indiana, in acknowledging receipt of congratulations from his former fellow townsman, W. G. Edens, makes the suggestion that now is the time for former Hoosiers to return to Indiana.

**COLUMBIA-
KNICKERBOCKER
TRUST
COMPANY**

New York City

Capital	-	\$2,000,000
Surplus	-	7,000,000

HARRIS TRUST ISSUES BOOKLET

Harris Trust and Savings Bank of this city has issued a booklet entitled "Bonds for Safe Investment," intended for the use of persons planning to invest in bonds for the first time. Its aim is to explain in simplest terms the uses and purposes of various classes of bonds and to indicate the value of bonds as safe investments for individuals as well as institutions. Copies may be had free upon application.

SOUTH DAKOTA'S "UNFAIR SALES" LAW

Washington, D. C., Nov. 14th.—A decision of the United States Supreme Court to-day that it was not necessary to hear arguments in favor of the constitutionality of the South Dakota "unfair sales" law is taken as an indorsement by the highest tribunal in the land of the constitutionality of the plan of President-elect Woodrow Wilson to destroy unjust competition in the nation. In his campaign for the presidency, Governor Wilson advocated a federal statute that would send monopolists to jail for underselling rivals in order to drive them out of business. The decision to-day is in support of a state law that makes it a crime to sell a commodity in one community cheaper than in another with the intent to destroy competition.

J. J. MITCHELL ON BUSINESS AND FINANCIAL SITUATION

John J. Mitchell, president of the Illinois Trust and Savings says that business conditions are good. There is a strong demand for money, the rates prevailing being around 6 per cent.

POSTAL SAVINGS BANK ROBBED

Syracuse, N. Y., Nov. 12th.—The postoffice at Liverpool, five miles from this city, was robbed of \$5,000 in stamps, cash and post-office savings bank deposits early to-day. Nitroglycerin was used to blow the safe.

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital	-	\$2,000,000
Surplus and Profits,	700,000	
Deposits	-	31,000,000

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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"THE FLYING SQUADRON"

Gus H. Mueller, vice-president of the Fletcher-American National, Indianapolis, president of the Flying Squadron of America, an organization composed of the traveling men and transit men of the big city banks, reports that he is having favorable responses to the call for the first meeting of the Squadron, which will be held at the LaSalle Hotel in Chicago, December 14th. He says it is their plan to provide a good program and to serve a useful purpose in the banking world.

SOUTH CAROLINA AGRICULTURAL COMMITTEE

Robert I. Woodside, the chairman of the agricultural committee of the South Carolina Bankers Association, has sent out a letter telling the purpose of the committee. It is not the intention of the bankers to undertake to become educators of the farmers, but it is their purpose to emphasize the practical educational ideas which are already in force throughout this country. It is their purpose also to co-operate in every way possible in the betterment of agricultural conditions and to develop scientific farm management, pointing out the superior advantages of intensive farming and the proper diversification of crops. While some will ask why a banker should be so interested in this subject, it can readily be seen by going to the bottom of the question that there is not a banker in any city or town whose prosperity and that of his stockholders and depositors is not entirely dependent upon agriculture in the final analysis. Most assuredly the banking interest, as well as the business interest generally, is greatly concerned in the

agricultural progress of our state as well as that of our country. There is no greater factor for prosperity than good crops, and there is no surer method of increasing the wealth and well-being of the Commonwealth than by increasing the yield per acre of our staple products. Our work is that of spreading the gospel of good farming.

THE BULL MOOSE PRESS

No doubt the bull moose contemporary newspapers have had a hard time of it in this campaign. They had to say what they could, and since that was not much, perhaps the best they could do was to holler all the time. They have at least done that. Those in these parts have hollered very wonderfully, and must be thankful to stop. We don't remember such a provision of editorial mush as has been set out by the Evening Mail, of this place, and the Boston Journal. It is to hope that these contemporaries, without any long stay in the psychopathic ward, will be able to reclaim themselves from the wallowings to which circumstances have constrained them, and become rational again. This hope is favored by the report published last Saturday that a straw vote of sub-editors and reporters in the Evening Mail office gave fourteen votes to Wilson and four to Roosevelt.

Some of the western bull moose papers, such as the Chicago Post and Brother Nelson's paper in Kansas City, and other habitually progressive journals, did better, operating with much less evidence of determination to capture the entire sanitarium vote.

Our neighbor the Outlook has come through the campaign alive and, judging from the oc-

casional corpulence of its advertising section, not unthrifily.

Friends, as the Colonel says—friends, the crops are good; there is something to be had by persons who can earn it. Come back now to business—the business of talking sense. No more coffee, Grandbrother Abbott!—Harper's Weekly.

REPORTS GOOD CROPS FOR LEE COUNTY

Miss Flora Buck, cashier of the Farmers State Bank at Genoa, Ill., was in Chicago on Monday. Miss Buck says that they have had good crops in Lee county and that there is a good demand for funds.

BELIEVER IN DRAGGING OF EARTH ROADS

R. R. Wallace, cashier of the First National at Hamilton, Ill., is a firm believer in the benefits to be derived from the systematic and regular dragging of earth roads in Illinois, and recommends it to the citizens of such communities as are suffering from the common or ordinary variety of dirt roads. Hamilton is in Hancock county, where at certain seasons of the year the farmers have suffered from the bad condition of the roads.

ROBERT W. BONYNGE IN TOWN

The Hon. Robert W. Bonyng, of Denver, a former member of congress, who has appeared on the program at many bankers' conventions during the past year in behalf of the proposed financial bill of the National Citizens League, visited Chicago on Tuesday.



ESTABLISHED 1902

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We place our Bond Department at the disposal of banks and bankers, assisting them in the selection of high grade securities such as Railroad, Municipal and Public Service Corporation Bonds. Stability and remunerative returns characterize the investments we furnish.

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The corn crop of the state is being rapidly gathered or "shucked" and before many weeks there will be large deposits on the credit side of farmers' bank books. The crop this year is a large one, but there are some indications that the bumper crop conditions probably reported will be modified some, both in quantity and in quality. However, a large and valuable crop will be marketed and already the cry of a grain car shortage is being heard in every town. There will be but few idle grain cars this year. Bankers report the best business conditions and the constant flow of checks moves on as majestically as a large river. There are no indications of slack times and the pre-election fears of hard times are in no wise being realized. The merchants of the state are looking forward to a large and satisfactory holiday and winter trade.

Death of Mount Vernon Banker

Sidney B. Ham, vice-president of the Ham National of Mount Vernon, is dead, and his death removes a younger banker who was well known in southern Illinois. Mr. Ham was but thirty-eight years of age. He was prominent in lodge circles. The Ham National is one of the oldest and best known in the southern part of the state and the business opportunities of the deceased were of the best.

McKinney Still a Republican

James McKinney, congressman from the Fourteenth Illinois district and a former president of the Illinois Bankers Association, though defeated in the democratic landslide a few days ago, states that he is a republican yet, and that he does not believe that the work of the party is over. He says that he sees as great need for republican principles in the future as in the past. Mr. McKinney was an Aledo banker when he was president of the Illinois Bankers Association. He will soon go to Washington for the short term of congress.

Indiana Bankers Visit Central Illinois

A number of Indianapolis bankers accompanied the party of jobbers and wholesalers who made a trade-boosting trip through the central eastern part of the state November 12th, 13th and 14th, which was spoken of at some length in last week's issue of the CHICAGO BANKER.

Indianapolis bankers with the party were Andrew Smith, vice-president of the Indiana Na-

tional and secretary of the Indiana Bankers Association, W. F. C. Golt, vice-president of the Fletcher-American National, Mord Carter, vice-president of the Continental National and Harry B. Wilson, vice-president of the National City Bank.

The Indianapolis bankers "scattered" to the different banks when they arrived in towns and cities included in the jaunt and made many warm friends of Illinois bankers. The newspapers in various cities have spoken of the trade-boosting excursion in the highest terms and one paper described the visitors as a "fine-looking lot of men." While but few banks in Illinois carry Indianapolis accounts, yet the live bankers of the capital city of Indiana are determined that more shall do so in the future. Illinois bankers extended a glad hand of commercial fellowship to the Hoosier bankers as they were called upon and fully appreciated the spirit of "Let's get acquainted" which was the slogan of the Indiana delegation.

Champaign Bank Incorporates

Announcement has just been made of the incorporation of the Illinois Title and Trust Company of Champaign into a state bank, to be known as the Illinois Trust and Savings Bank of Champaign. There will be no change in the officers or in the location and the business will be conducted in the future as in the past. The bank was organized in 1902 and a large and growing business has been built up under the co-partnership plan, but the officers feel that the work can be better carried on in the future as a state bank. This bank was the first in Champaign to establish a savings department and many thrifty people

in that city have been aided by the bank. An abstract business of no small importance has also been a feature of the bank and will be carried on in the future by the officers, but outside of the jurisdiction of the bank.

Virgil W. Johnston, who has been with the bank since its establishment, is the president. Mr. Johnston came to Champaign as an abstracter and later went into the banking business. Fred Collison, one of the vice-presidents, is president of the First National of Rantoul and of the First National of Thomasboro, both of these towns being near Champaign. He is a large land-owner. W. W. Stern, also a vice-president, comes from a family long identified with the mercantile business of Champaign. E. M. Venum is the cashier, B. C. Weaver is assistant cashier, and George R. Shawhan is manager of the savings department.

Mr. Johnston is very optimistic regarding the future of his city and of the bank, and believes in the growing prosperity of both. He recently said in reference to the future work of the bank, "We are just on the edge of our business."

Farm loans are a prominent feature of this bank's business. The capital will be \$150,000, which amount is equaled or exceeded by very few banks in towns the size of Champaign. A surplus will also be carried. Continental and Commercial National is the Chicago correspondent.

The bank moved about a year ago into its

F. E. FARRELL, President
E. E. CRABTREE, Vice-President
H. H. POTTER, Cashier
M. W. OSBORNE, Assistant Cashier
Established 1864

F. G. FARRELL & COMPANY, Bankers

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Deposits over \$3,200,000.00

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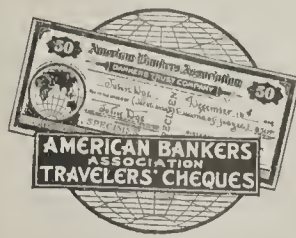
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Write for the Investors' Magazine, which we publish twice a month in the interest of conservative investors, and for Circular No. 50.

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"A.B.A." Cheques are the Travelers' Cheques sanctioned and authorized by the American Bankers Association.

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"A.B.A." Cheques are issued by thousands of American Banks and are their own cheques. The issuing bank retains its own identity in the transaction and at the same time supplies an international banking facility to its customers.

"A.B.A." Cheques are advertised extensively in the great National magazines and their popularity is constantly increasing. The people are asking their Banks for "A.B.A." Cheques.

Is your Bank prepared to issue "A.B.C." Cheques to customers who will ask for them?

BANKERS TRUST COMPANY, TRUSTEE
New York City

newly remodeled room which has been described before in THE CHICAGO BANKER. The fixtures are of white marble and bronze and the vaults and the safety deposit boxes include every feature known to present-day banking. The mural decorations are most unique; a large painting at one upper end of the bank, entitled "Play," pictures a football game between the University of Chicago and the University of Illinois. Another, entitled "Work," shows a harvest field in Illinois with three large horses drawing a binder and Professor Cyril G. Hopkins of the University of Illinois, well known to Illinois bankers, directing the work. These two pictures, representing the educational and agricultural work of the community, are unique and typical of the locality and are much admired by the customers of the bank. The "Work" picture is reproduced in this issue of THE CHICAGO BANKER.

Illinois Notes

Springfield's bonded indebtedness has been decreased \$32,000. The total bonded indebtedness of the city is now \$762,500.

The First National of Gibson City is one of the banks in the smaller cities of the state which believe in and practice the good doctrine of newspaper advertising of a telling kind. Evan Mattinson is the president and L. E. Rockwood is the cashier.

The Farmers and Merchants Bank of Hillsdale, Rock Island county, is one of the few private banks in Illinois which publish a statement. Loans of \$161,080 are reported, with deposits of \$192,049. E. L. Hansen is the cashier.

The apple crop in that part of the state lying between the Illinois and Mississippi rivers is reported to be a large one and 50,000 barrels have been shipped from Griggsville alone.

A new bank building is to be erected in Blandinsville, near Macomb. The new bank building is one of three buildings to be erected in Blandinsville at a cost of \$50,000, one of which will be used for a garage and a second for an agricultural implement house.

Springfield's clearings for the month of Octo-

ber, 1912, were over a half million dollars greater than for the corresponding month in 1911. This year the October clearings totaled \$5,247,965, while in 1911 for the same month a total of \$4,558,166 was reached. Springfield is making rapid strides as a banking city and the greatest of prosperity is evidenced by this substantial increase.

Ross R. Mattis, president of the Trevett-Mattis Banking Company of Champaign, and his son, George M. Mattis, treasurer and vice-president of the Illinois Traction System, have gone to New York City and from thence will sail to Panama to spend a few weeks in the Canal Zone.

ALEXANDER ROBERTSON BACK AT DESK

Alexander Robertson, vice-president of the Continental and Commercial National, has recovered from his recent illness and is back at his desk. Mr. Robertson visited Atlantic City and the South during his convalescence.

BELOIT SAVINGS BANK

The thirty-first annual report of the Beloit (Wis.) Savings Bank, makes a good showing. Deposits in excess of a million show how carefully the officers of this institution have guided its business management. Edward F. Hansen, the secretary and treasurer, has been connected with the bank for twenty-five years.

OHIO BANKER REPORTS GOOD CONDITIONS

Walter B. Richie, president of the First National of Lima, Ohio, visited Chicago on Monday. Mr. Richie reports favorable business conditions in his state, and says there is a good demand for money at improved rates.

Pasadena, Cal.—Clearings for the month of October were \$4,324,078.31, as compared with \$3,057,137.15 for corresponding month last year.



MURAL PAINTING ENTITLED "WORK" IN INTERIOR OF THE ILLINOIS TRUST AND SAVINGS BANK, OF CHAMPAIGN, ILLINOIS



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Some interesting figures on the industrial basis of Milwaukee's prosperity were received by Milwaukee bankers this week in the most recent report of the bureau of manufactures of the department of commerce and labor, Washington. The statistics place Milwaukee tenth among American cities in value of annual output, although rating it second in percentage of industrial expansion between the two industrial censuses of 1904 and 1909. In this period the city showed an increase of 51 per cent in value of annual output, with Detroit leading by a narrow margin. The city has now approximately 2,400 manufacturing plants with 105,000 wage earners drawing an aggregate weekly payroll of \$1,500,000.

Increase in Grain Receipts

Grain receipts for October, 1912, exceeded those of October, 1911, by 1,608,870 bushels. Out of the total 6,624,410 bushels received last month, barley gained 750,000 bushels, while corn fell off from last year's receipts nearly 300,000 bushels.

Renews Petition

The Marshall & Ilsley Bank this week secured from the circuit court a writ of certiorari to secure a review of the recent action of the city in taxing both capital stock and realty and buildings of the bank. The bank renews its petition to have the assessed value of its buildings deducted from the assessed value of its capital stock and cites the state laws of 1903 to prove its claim. The bank's 50,000 shares of stock were assessed

at \$220 a share, its new building and the ground it occupies at \$254,000, and its south side branch and property at \$18,000. When the board of review met last spring it sustained the assessor in refusing to make the deduction asked.

No Changes to be Made

No change in the financing of The Milwaukee Electric Railway and Light Company will result from its absorption this week by the newly incorporated Wisconsin Edison Company of New York, according to James D. Mortimer, president of the Milwaukee corporation and director in the new holding company. The Wisconsin Edison Company, which is capitalized at \$12,000,000, takes over the Wisconsin holdings of the North American Company.

Milwaukee Chapter to Give Minstrel Show

The Milwaukee chapter of the American Institute of Banking is preparing an elaborate minstrel show to be presented at the Pabst theatre on the nights of December 6th and 7th. Boxes for the opening performance have been taken by the following prominent Milwaukee bankers and business men: Charles F. Pfister, L. J. Petit, Fred Vogel, Jr., James K. Ilsley, Oliver C. Fuller, Gustav Pabst, William Woods Plankinton, Albert Trostel, John E. DeWolf, and George H. Russell.

Puts Valuation at \$8,770,000

The state railroad commission this week fixed the physical valuation of the Milwaukee Gas Light Company's properties at \$8,770,148. The

company places a valuation of \$14,000,000. The report of the commission is the first made to the city since the petition for lower gas rates was filed more than one year ago.

Conference of Agricultural Committees Called

The agricultural committee of the Wisconsin Bankers Association, through its chairman, L. A. Baker, New Richmond, has issued a call for a conference of associations interested in the improvement of agricultural conditions in Wisconsin, to be held at the college of agriculture of the University of Wisconsin at Madison on November 22d.

New Bank at Butler

The New Butler Bank was organized this week with capital of \$10,000. John Pilgrim is president, and George Lilly vice-president. A cashier will be appointed next week. The stockholders decided to erect a story and a half brick structure to house the new bank.

Bank Robbers Scared Away

An unsuccessful attempt to rob the State Bank of Bagley was made this week, but the would-be safe breakers were frightened away after blowing off the handle of the door. Investigation has led to the belief that the attempt was made by amateurs.

Frank Martin of Shawano Dead

Frank Martin, cashier of the German-American Bank of Shawano, died on Tuesday, following an operation at a hospital in Green Bay.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS

J. H. PUELICHER, Cashier
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COUNTRY BANKERS EXPECTED TO BUY

La Salle street investment houses are preparing for great activity and breadth in the bond market, which they expect will develop in the next few weeks. They are laying in stores, so to speak, of high-grade mortgage securities, in anticipation of a vigorous demand to come from country bankers, who are at present practically out of the market.

Just now the individual investor, the man who buys over the counter, is the life of the trade in bonds. Although the customers of this class are buying freely, they do not supply the activity such as comes when the country banks are buying bonds in earnest.

It is to the country banker that the Chicago bond merchants are now looking for a big revival in their business. This will come, they know from the experience of previous years, as soon as the demand for money for financing the crop movement slackens a bit. An inquiry for \$50,000 bonds which came to the First Trust & Savings Bank from a country bank was the first inquiry from such a source in several weeks. It is considered a harbinger of a steady demand which will set in from the country as soon as money becomes more plentiful.

"Indications point to an abundant supply of money for investment purposes, especially after the turn of the year," said the manager of one La Salle street house. "The demand for high-grade bonds will be unusually active, because, for one reason, investors of the more cautious sort will prefer such securities to industrial stocks, during a time of tariff uncertainties."

APPOINTED RECEIVER FOR DEFUNCT BANK

Horace C. Reed, a national bank examiner, has been appointed by Comptroller of the Currency Murray as receiver to take charge of the affairs of the First National of Wilburton, Oklahoma, which recently closed its doors.

The Continental Trust Company of Waco, Tex., has formally changed its name to the Cattlemen's Trust Company of Fort Worth.

Pittsburgh

Pittsburgh bank clearings in October shattered all previous records. They amounted to \$267,768,219.38. The previous record was \$250,602,941 in April, 1907, the nearest previous approach thereto having been \$247,191,957 in July, 1912. The exchanges for the month were \$24,613,221 over the total for September and showed an increase of \$57,232,606 over October, 1911.

The exchanges for ten months were \$2,323,590,728.62. This has been exceeded but once in the history of Pittsburgh Clearing House, in 1907, when exchanges were \$2,328,543,515.27. Thus 1912 is but \$4,952,786.65 less than for the same period five years ago. But the total for 1912 will certainly make a new record, as business now is practically booming, while in 1907 it fell off rapidly after October, when the panic occurred.

State Banks

The deposits of the state banks and trust companies of Pittsburgh show a decrease as

compared with the statements of May last, when a new high mark was made. At that period, however, deposits were abnormally high by reason of the temporary presence of several exceptionally large sums in some of the trust companies. The total is \$202,000,000, as compared with \$209,000,000 in May. The present figures, however, show a gain of about \$11,000,000 over the aggregate of November a year ago. The state bank totals show a new high mark with over \$100,000,000 in deposits. The deposits of this class of banks are mostly savings accounts and have, with but few exceptions, shown a consistent increase.

BECOMES ASSOCIATED WITH SALOMON & CO.

Harry Benner, who recently has been connected with the corporation department of the Harris Trust and Savings Bank, has become associated with the Chicago office of William Salomon & Co., bankers. Mr. Benner, before his association with the Harris Trust and Savings, was connected with the Pennsylvania Lines west of Pittsburgh, and later was secretary to W. G. Burd, general manager of the Panama Railroad Company at Colon, Panama. He is a graduate of the University of Chicago.

McCRUM-HOWELL COMPANY SITUATION

The recent sales of assets of the McCrum-Howell Company to the creditors committee for \$870,000 was confirmed yesterday by Judge Buffington in the United States district court at Philadelphia.

The Colorado Bankers Association has appointed a committee to pass upon all irrigation projects in the state and give its opinion as to the soundness of their securities, the expense of the examination to be borne by the enterprise seeking the approval of the committee.

Hughson, Cal.—D. B. Holeman and B. W. Holeman are organizing a bank here.

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MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, Nov. 13th.—About fifty bankers and brokers from New York, Chicago and other eastern cities were entertained at the Racquet Club Monday night by St. Louisans. Re-enforced by sixteen bankers and brokers from St. Louis, they will depart at 7 A. M. today, for an inspection of the St. Louis and San Francisco Railroad, especially of the St. Louis, Brownsville and Mexico branch. They recently have bought and handled the securities of this railroad, and the present trip is promoted by G. H. Walker & Co. of St. Louis and William Salamon & Co., of New York, to give them an opportunity to inspect the property behind the securities.

The tourists will be entertained at a noon-day luncheon by New Orleans bankers and business men at the headquarters of the Progressive Union, the business organization of New Orleans. At Dallas the party will be entertained by J. C. Casler and Clarence E. Linz, president and vice-president, respectively, of the Dallas Automatic Telephone Company, and will inspect the properties of the Southern Traction Company of Texas, which is constructing an interurban road between Waco and Dallas, for which St. Louis financiers are supplying the funds. The properties of the Dallas Telephone Company will also be inspected.

The following St. Louisans will make the trip: Louis Barklage, W. L. Beckett, J. A. Berninghaus, C. G. Cobb, W. B. Dean, Jr., W. V. Delahunt, Fred Emert, Talton T. Francis, H. M. Kauffman, Alden H. Little, Albert T. Perkins, Thomas H. West, Jr., Henry Potter, R. L. Rinaman, G. H. Walker and James H. Wear, Jr.

Large Gains for St. Louis Lines

According to returns so far received from railroads making weekly reports, gross earnings for October were well above those of the same month a year ago. The total aggregated \$40,074,554, an increase of 6.9 per cent. In the South a few small losses still appear, but they are not significant, and a number of important systems report pronounced gains, notably the Southern, an increase of \$377,146, and the Chesapeake and Ohio, with \$170,031. Roads in the West and Southwest almost without exception show large gains, reflecting the revival in railroad business due to active movement of freight incident to unusually satisfactory crop results.

Urges Plan Change

A new plan for the development of the Mississippi River, which would enable St. Louis to reap the benefits of its location, was outlined yesterday at the noon-day luncheon of the Business Men's League at the Planters' Hotel,

by Hugh L. Cooper, vice-president and chief engineer of the Mississippi River Power Company, the engineer who put the power dam across the Mississippi at Keokuk. The speaker declared the loudly extolled 14-foot channel from the lakes to the gulf was an engineering impossibility and asserted the money expended and the enthusiasm developed at the deep waterways conventions was misdirected. The new plan he suggested was the appointment of a strong commission of engineers and business men to study the problem fundamentally.

Oklahoma Bank Robbed

It is the general belief that the Ochelota State Bank was blown by persons in that vicinity and not by yeggmen. After applying fourteen charges of nitroglycerin to the safe and vault, the robbers obtained \$2500 in money and escaped. The repeated explosions awakened citizens, and sixty approached sufficiently near to the robbers to watch their operations, but a fusillade of rifle shots terrorized them into inactivity. Tom Ellis, assessor-elect of Washington County, went too close to suit the robbers on guard and was called by his name and told to halt. Another circumstance lending color to the belief that the work was done by local men, is that the hand car on which the robbers left town was returned to the "Y" before daylight. All telegraph and telephone wires leading into the town were cut by the robbers before operations were commenced.

Texas Wealth Over Two Billions

The total assessed wealth or assessed valuation of Texas for 1912 aggregates \$2,526,681,775, as disclosed by figures compiled by the comptroller's department from the tax rolls of the 249 counties in Texas. This is an increase of \$11,059,030 over the valuation of 1911, which reached the sum of \$2,515,632,745. This increase is considered comparatively small when it is shown that the increase in

Texas wealth for 1911 over 1910 reached \$127,000,000. One of the reasons assigned for this small increase this year is a decrease of about \$18,000,000 in the intangible assets. This being election year is also assigned as a reason for the small increase.

New Arkansas Bank

The Peoples Bank of Devall Bluff, has been chartered with a capital of \$15,000. R. H. Sanders is president; W. H. Bland, vice-president; F. L. Major, secretary-treasurer.

Conditions in Oklahoma Excellent

Conditions in Oklahoma are excellent this year. The cotton crop is larger and bringing higher prices. The farmers have harvested a large corn crop. Bankers report collections the best in three years, and business is good.

Two New State Banks for Texas

At a meeting of the state banking board certificate of authority to do business in Texas was granted to the Moscow State Bank of Moscow, Polk County, capital stock \$10,000, and to the Guaranty State Bank of Mount Selma, Cherokee County, capital stock \$10,000. Both assumed the guaranty fund plan of protecting depositors.

Arkansas State Funds

State Treasurer John W. Crockett, has filed his biennial report with the governor. The total balance on October 1st, including school bonds, was \$2,690,003.58; currency on hand, \$800,770.69. General revenue balance was \$188,323.94; total receipts for two years, \$2,196,474.73. During the past two years \$1,125,006.56 was paid for confederate pensions. The balance in the State Capitol fund was \$208,815.52; amount drawn from the Capitol fund the past two years was \$335,862.84. On October 1st, there was to the credit of the common school fund \$94,409.40. Receipts from this source during the past two years were \$2,430,352.02; expenditures, \$2,363,378.07.

IDAHO BANK PRESIDENT CONVICTED

Pocatello, Idaho.—Five years in the U. S. prison at Leavenworth was the sentence imposed upon H. K. King, an aged banker, formerly president of the First National Bank of Salmon City, Ida., in the federal court on October 26th. He had been convicted of making false reports to the comptroller of the currency prior to the failure of his bank. It was urged in his defense that his guilt was only technical and his offense committed to tide over temporary difficulties.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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The National Stock Yards National Bank
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August Belmont & Co.

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Capital and Surplus
\$3,000,000

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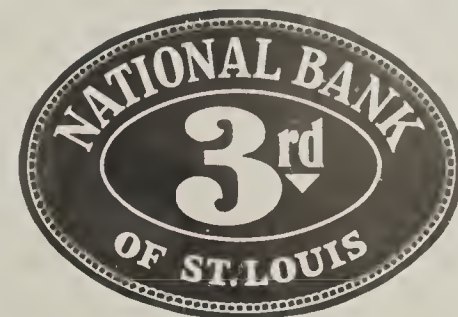
ALFRED M. BULL, Vice-President

NORBORNE P. GATLING, Assistant Cashier

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We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars



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\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

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CHICAGO

PEOPLES SAVINGS, CEDAR RAPIDS, UNDER NEW CONTROL

Cedar Rapids, Ia.—Announcement has been made that the control of the Peoples Savings Bank, the west side institution which has made such a marked success, has passed into new hands. A great majority of the stock has been sold at a big figure to a number of popular, shrewd and capable business men who may be depended upon to maintain the high standing in business and popular favor which this bank has had in the past.

The new organization will be as follows: Congressman James W. Good, president; Matt J. Miles, first vice-president; William King, second vice-president; John Burianek, Jr., cashier, and John M. Ely, assistant cashier. These officers, with the following, will comprise the board of directors: James W. Good, Matt J. Miles, William King, John Burianek, Jr., C. E. Tuttle, John A. Reed, John M. Ely, and Dr. R. Lord.

The transfer of stock, it is understood, represents the highest price ever paid for bank stock in Cedar Rapids. The deal includes the transfer of the new bank building which was just completed a year ago last September and which has attracted the attention of financial interests all over the country because of its unique construction.

The Peoples Bank was organized twelve years ago last June. Mr. Burianek has been with the institution nine years and is considered one of the best posted bankers in this section. He has succeeded in working the deposits up to a gratifying business and has inaugurated several original ideas which have proven very successful. The retention of Mr. Burianek and Mr. Ely will be an assurance

that the affairs of the bank will be conducted along the same line of efficiency as in the past.

The bank is capitalized at \$50,000 and the bank building represents an outlay of considerably more than that figure.

TELEPHONE THWARTS BANK ROBBERS

A telephone was the means of preventing bank robbers from taking \$75,000 in currency from the First National of Medaryville, Ind., this week. The explosion of the nitroglycerine used blew the telephone receiver off the hook and signaled the exchange. Failing to receive any response, and hearing a muffled sound like that of a far-away explosion, Mrs. Theodore Braemer, the telephone operator, looked out of the window and saw three men standing in front of the bank. She quickly summoned the town marshal, but the robbers saw him coming and succeeded in getting away. It is believed that they fled to Chicago. They succeeded in getting \$2,000 in coin, but were frightened away before they had time to get the \$75,000.

The Continental Trust Company of Waco, Texas, has filed an amendment, changing its name to the Cattlemen's Trust Co., of Fort Worth.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

NORTH CAROLINA BANK ORGANIZED

A new bank has been organized at Oxford, N. C., the new institution to be known as the Union Bank of Oxford. It will be capitalized at \$100,000. Those interested in its organization are W. L. Peace, J. D. Brooks and L. F. Perkinson of Oxford.

MILWAUKEE BANK OCCUPIES PROMINENT POSITION

The working capital of the First National of Milwaukee now is four millions, so that sterling institution occupies an enviable position among the banks of the Middle West outside of Chicago.

BANK EMPLOYEES HOLD STOCK

A majority of the employees of the Citizens Central National, New York, are now stockholders in that institution, which is due principally to President Schneck, who, four years ago, purchased a large block of the stock of the bank for the benefit of the bank's employees. Mr. Schneck personally carried the stock for them, so that each of the clerks subscribing has been able to pay for his share of the subscription in easy monthly installments. The stock has now been all paid for. The market price of the stock has increased over \$50 a share during the four years they have been paying for it.

DENIES RUMOR

The rumor that Albert H. Wiggin, president of the Chase National of New York, is to enter the banking firm of J. P. Morgan & Co., has been denied by Henry P. Davison.

Editorial Comment

MAKING JUDGE LANDIS A HERO

Go where you like in Chicago, you will hear nothing but praise for the efforts Federal Judge Landis is making to get back from the wreckers at least a part of the depositors' money in the case of the failed private bank of W. T. Kirby. The job had been "put over" in the county courts and Kirby was in a sanitarium and a friendly conservator in charge. It was a lovely plan for legally separating the depositor from his money. The judge from the bench issued a statement which certainly will be added at once to the arguments in use favoring state supervision of banking, which is the only remedy for such failures as those of Kirby, of Mason, of McCarty and of a long string going back for years. One could wish for no better thing than to have Judge Landis open up some of the closed cases which made those who planned the Kirby failure hopeful of success. Here is what the judge said in part:

During the eight years I have been on this bench there have been paraded before me many private bank failures, downright losing of the hard earned money of poor, hard working wage earners. It has resulted in scores of suicides.

And while I am on this subject, let me say there is an influence in this state powerful enough to prevent the enactment of a law forbidding this kind of business. As matters now stand, it makes it possible for any man to paint a sign with the name "Banker" on it and begin business as a private banker.

Even the Illinois Bankers Association at its recent convention went on record against a law to correct this evil.

The new legislature, to meet in a few weeks, is certain to take up the matter of bank supervision. To amend the banking act is a referendum matter and very tedious, but the criminal law code could be amended by an act making certain kinds of banking a criminal offense. There's the chance.

EFFICIENT SERVICE OF FEDERAL COURT

The exhaustive manner in which the affairs relating to the Kirby private bank failure have been delved into by the federal court, must be a source of great satisfaction, not only to the depositors who have been so shamelessly swindled out of their money, but to the general public who are interested in seeing all attempts at fraud and imposition promptly thwarted by the law. Circumstances tend to indicate that the proceedings in the county court were merely a ruse to have the banker-physician declared insane so that he would be absolved from criminal liability as a result of the bank failure. It also has been shown that large sums of money were withdrawn from the bank immediately prior to the failure. The whole affair has been characterized by the federal court as "a deliberate attempt to steal the depositors' money."

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

The way in which the federal court has gone into the matter certainly is highly commendable. An attempt had been made to get the United States court to relinquish jurisdiction and to turn the property over to the conservator, which was denied. The court has succeeded in eliciting information which clearly indicates that the whole affair probably is a deliberate frame-up, and has refused to believe that the banker is insane. Kirby has displayed wonderful astuteness in refraining from saying anything tending to impeach his methods of banking, always using the threadbare excuse of "not remembering."

It truly is too bad that people of questionable character, who are addicted to laxity in business methods, should be allowed to engage in such an important and responsible business as that of banking. A bank is a public necessity; the people must have some place to put their money. It is just as necessary to the public welfare as are the public utility companies. So much has been said about supervision of late that it is unnecessary to enumerate the numerous arguments in favor of it. The almost daily examples of the evils incident to a lack of supervision speak far more eloquently than any words which can be uttered on the subject. The people are fortunate in having public servants who will unearth fraud and collusion; but, after all the damage has been done it does not do much good for some court to apprise the unfortunate depositors that they have misplaced their confidence,—it does not give them their money back. The thing to do is to prevent the fraud and collusion in the first place, or to discover its existence in ample time to protect the intended victims; and this can be done only by prescribing some qualifications for one who wishes to engage in the business of banking.

The failure of a private banker usually causes a great sensation,—for the time being,—the newspapers graphically depict the unfortunate predicament in which the depositors are placed; the woe and misery resulting from the failure; the fact that the depositors are of an unsophisticated and uneducated class who think that any place which has the word "bank" on the window has the strength of Gibraltar. A great hue and cry is raised about the loose methods of the proprietor, his failure to keep books of account and about the specu-

lative enterprises to which he is a party. Yet, in a few days the whole thing blows over; the people forget about it, and nothing more is said until the next failure occurs. Usually there are a few sessions in court, but nothing material seems to be accomplished. One seldom hears of these so-called "bankers" being prosecuted criminally for their misdeeds, notwithstanding the fact that the criminal code of the state of Illinois provides a penalty for accepting deposits with knowledge of insolvency.

If the public wants relief from this almost unbearable situation, some organized effort should be made to have some of these persons prosecuted criminally, for confinement in the penitentiary appears to be the only effective deterrent. If an insolvent is permitted merely to go through the bankruptcy court, what is there to prevent him from starting another bank, after he has been relieved from his liabilities by the government?

The public has lost track of most of the recent private bank failures. None of the bankrupts, however, seems to be boarding at the expense of the state. If the same thoroughness and efficiency manifested by the federal court in the Kirby case were exhibited in all similar cases in other courts, it is conceivable that the results would be radically different from what they seem to have been of late, and that much progress would be made toward stamping out wildcat banking.

CLARIFIED AND EXPLICIT

With bankers and railroad men, the ten years' war for a better bill of lading law is an old story. It is a complicated question and by most business men is understood but imperfectly. Mr. Hagey of the First National was one of the speakers before the Chicago Association of Commerce this week on this much-mooted subject. He stated the issue in a nutshell when he said:

"As bills of lading are now issued by the railroads, the roads themselves are not held responsible for the acts of their agents," said Mr. Hagey. "Under this system banks are afraid to loan money on these bills, save to men whose known responsibility is such that they do not need any security to borrow."

We suggest this extract be used as a text by those among the bankers who may be called upon to write or speak on the matter. It is a clarified and explicit statement of the chief present objection to the existing laws.

REPORTS SATISFACTORY CONDITIONS AT EAST DUBUQUE

S. C. Peaslee, president of the East Dubuque (Ill.) Savings Bank, for many years its cashier, reports very satisfactory conditions about East Dubuque. Funds are employed and the prospects for good business in the future are favorable.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

A Broad Vision on the part of its founders, and a continued liberality of policy on the part of the management of this bank, have combined to make it more than a local institution. Its Numerous Connections throughout the Northwest enable it to offer complete and acceptable service to its many patrons in Minneapolis and in the great states comprising the business territory of this city.

Capital and Surplus, \$5,000,000

AFFILIATED WITH

The Minnesota Loan and Trust Company

KIRBY BANK FAILURE

This week was replete with sensational developments in the Kirby private bank failure. Federal Judge Landis severely arraigned the banking methods employed by the Kirby institution, and said he did not see how anybody could help but lose his money in such a bank. Judge Landis recognized in Dr. Kirby an acquaintanceship of fifteen years' standing, and absolutely refuses to believe that the man is insane. He stated it as his opinion that County Judge Owens was imposed upon in the insanity proceedings before him. It has developed that former Judge Thomas B. Lantry, counsel for Mrs. Kirby, accepted \$500 from Dr. Kirby a few days before the latter was adjudged insane by the county court. The judge said he didn't believe Mr. Lantry would accept a fee from a crazy man. It was impossible to determine from Dr. Kirby's testimony whether or not the physician is insane. It was noticeable, however, that he displayed sufficient astuteness to say he didn't remember, when any question was asked to which an intelligent answer would have aided the progress of the investigation materially.

The efforts of the federal court have been directed toward recovering the \$20,000 belonging to the creditors and which, it is alleged, Mrs. Kirby has in her possession. It is said that the wife of the banker-physician withdrew \$20,000 from the failed bank a few days before it closed its doors; that she deposited the money under assumed names in two South Side banks, and that it was withdrawn on October 31st. Officers of these institutions positively identified Mrs. Kirby as the person who had opened an account at their respective banks under the names of Miss E. Walsh and Mrs. N. S. Lamb. When asked as to these matters she declined to answer, on the advice of counsel, claiming that it might have a tendency to incriminate her. Judge Landis then ordered a rule entered upon Mrs. Kirby to produce the \$20,000 in court Tuesday morning. Owing to the difficulty which had been experienced in securing her attendance, she was not permitted to leave the court room during the noon recess. The witness all through the proceedings maintained a calm, defiant manner and almost from the very first persistently refused to answer the questions put to her by counsel for the creditors.

Judge Landis ruled that Mrs. Kirby be required to show in writing Tuesday morning why she should not be compelled to turn over the \$20,000 alleged to be in her possession. She replied, setting up the fact that the United States court has no jurisdiction in the matter. Judge Landis was appealed to to grant another day's time before making a ruling. She

was ordered to bring the money into court on Wednesday. Then occurred one of the severest arraignments ever delivered by a judge from the bench. He sharply criticized the Illinois Bankers Association for the action at the Peoria convention in going on record as being opposed to supervision. He cited the failure of the Kirby bank (which he characterized as more of a store than a bank) as an example of what frequently happens in the case of unsupervised banking.

Roger S. Gorman, the conservator appointed by the probate court, and a brother-in-law of Dr. Kirby, admitted on the stand that he had done practically nothing to gather the assets. He said that he knew nothing of the \$20,000 alleged to be in Mrs. Kirby's possession. Daniel J. Kirby, cashier of the bank and a cousin of Dr. Kirby, proved to be a very forgetful witness and manifested remarkable ignorance regarding the affairs of the bank.

In most cases he either refused to answer the questions put to him on the ground that it might incriminate him, or said that he didn't remember. He did testify, however, that just prior to the failure he had handed to Mrs. Kirby on two different occasions \$10,000 which she had taken away with her.

The attorneys for the Kirbys and for the conservator were caustically criticized by Judge Landis. Former Judge Lantry, who represents the conservator and Mrs. Kirby, when asked by the judge if it might not prove embarrassing to endeavor to collect money on behalf of the conservator and from his other clients, said that that proposition had not occurred to him.

It is said that Dr. Kirby confessed to Isaac Doff, personal bailiff of Judge Owens, and in

whose custody the banker-physician has been pending the outcome of the present proceedings, that the \$20,000 which it has been alleged is in the possession of Mrs. Kirby was in reality lost on a fake race and that Dr. Kirby, in an effort to recoup previous losses, had staked this sum and had been swindled out of it by a gang of "wire tappers," whose rendezvous is said to have been at the Blackstone Hotel. Counsel for Mrs. Kirby have receded from the former position which they took of advising their client to stand upon her constitutional rights and not to give any testimony in the case which might incriminate her. It is reported that Mrs. Kirby is willing to waive her constitutional privilege and to tell all that she knows relative to the mysterious disappearance of the \$20,000. Mrs. Kirby's testimony is expected to corroborate the confession made by her husband to Bailiff Doff.

Counsel for the receiver characterize the defense which has been interposed as a "frame-up," and refuse to give credence to the "wire tapper" story. As a result of the frenzied finance disclosed by this Kirby trial, public sentiment has become very strong against the private banks, and it is considered very probable that the next legislature will pass a bill relating to them.

In her testimony Friday morning before Judge Landis Mrs. Kirby admitted having opened accounts in two south side banks under assumed names, and said that she had done so at the request of her husband. She said that on October 29th her husband telephoned her to come to the Blackstone Hotel and bring \$10,000 from the Kirby Savings Bank. She met her husband, who was with another man, and they all got into a taxicab. Dr. Kirby and the stranger got out at Eighteenth St. and Wabash Av. After that Mrs. Kirby went home. The physician later on the same day telephoned her to make out a check for \$10,000, payable to J. O'Malley, and to indorse it herself and deposit in the Stockmens Savings Bank. At 10:30 o'clock he came home and said that they had gotten \$40,000 from him and expressed the fear that they would shoot him. He said that he would have \$100,000 the next day and asked his wife to go to ten different banks and open accounts, which she refused to do. He then told her to draw two checks for \$10,000. One of them was the "Miss E. Walsh" check on the Washington Park Bank and the other on the Citizens Trust and Savings, signed "Mrs. N. S. Lamb." Mrs. Kirby did this and gave them to Dan Kirby, the cashier.



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For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. Your account carried on the books of a solid, conservative bank adds prestige to your name. Correspondence and interviews solicited.

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EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

BLUE MOUND (ILL.) BANK OPENS

State Bank of Blue Mound, which received its charter from the state October 29th, recently opened for business. C. H. Mooney is the president.

ASSOCIATION OF COMMERCE LISTENS TO BILLS OF LADING TALKS

About 250 members of the Chicago Association of Commerce were present at the regular Wednesday noonday luncheon of the ways and means committee held in the main dining room of the LaSalle Hotel. Bills of lading was the subject under consideration at this meeting, the speakers being Clay H. Hollister, vice-president and cashier of the Old National, Grand Rapids, Mich., chairman of the bills of lading committee of the American Bankers Association, and J. F. Hagey, assistant cashier of the First National of Chicago.

Mr. Hollister told of the present status of the bills of lading situation in congress.



CLAY H. HOLLISTER
Grand Rapids, Michigan
Chairman Bills of Lading Committee, A. B. A.

Some of the objections to present bills of lading are that they do not guarantee delivery of the number of articles listed, the road being liable only for the goods actually received. A bill of lading only gives a list as furnished by the shipper, and does not guarantee the quality of the goods; it may be fraudulently issued and the signature forged and hence not binding on the railroad; it may have been issued in duplicate and not so marked, so that two bills may be outstanding for the same shipment, and a bill of lading may be outstanding when part of the goods have been delivered.

The most serious of the defects of the common law proposed to be remedied is the doctrine which prevails in all of the federal courts and in a number of the state courts, that although a bill of lading acknowledging the receipt of described goods is issued by the authorized agent of the carrier, and passes to a "bona fide" holder for value, who takes it relying upon the truth of the statements which it contains, the carrier is at liberty to show the fact, whenever it is a fact, that the agent never received the goods, but issued the bill through mistake or fraud or as an accommodation to the shipper, and upon such showing free himself from responsibility on the ground that the agent had no authority to issue the bill before the goods were received. It is desired to have a uniform bills of lading act adopted in all of the states which will be in the nature of a code of the rules of law relating to the issue, transfer and redemption of bills of lading.

Senate Bill No. 4713, known as the Pomerene Bill, is the same law which the bankers are advocating in the different states of the union. Last August the senate passed this

bill by a unanimous vote, and it now is up to the committee on interstate and foreign commerce of the house, where it will be urged for passage at the short session of congress this winter. Advices are that Chairman Adamson of the house committee is opposed to the measure and that he has prepared a bill of his own covering the subject. His auditors were greatly amused at the provisions of the proposed bill of the committee chairman as stated by Mr. Hollister. Among other things, it provides that it shall be unlawful for any bank, officer or agent thereof to accept any bill of lading without first ascertaining by actual inquiry that the shipment really was delivered to the carrier whose agent has signed the bill of lading. Violation of this provision is punishable by a fine not exceeding \$5,000. The agent also is subject to a fine of \$5,000 or imprisonment in the penitentiary for any term not exceeding five years, or both. It is needless to say that there is not much likelihood of such a ludicrous measure being passed. In concluding his remarks, Mr. Hollister said:

"The Pomerene Bill will come up before the house this winter. We are in great hopes that we shall receive such co-operation from the shippers and bankers who are interested in this subject as will enable us to carry through congress some remedial legislation, which shall be in definite form on the statute books, and something which will make a bill of lading when offered to a banker a document which can be recovered against for what it purports to contain." The bills of lading committee already has been successful in having corrective laws enacted in ten states.

Mr. Hollister's succinct statement of the present status of the bills of lading legislation was very greatly enjoyed by those who were fortunate enough to hear him. He presented his subject clearly and interestingly.

Mr. Hagey spoke on bills of lading as collateral and pointed out the present necessity for better legislation which would tend to make the bill uniformly more truly negotiable. The vagueness of the legal status of bills of lading, the indefinite degree of negotiability and the uncertainty of the rights and obligations of the parties to it have prevented this instrument from being considered by bankers as a high-class bankable document. Considering the enormous amount of everyday business transacted by means of bills of lading and the necessary advances made on them, it would seem only proper that satisfactory protection be given the lender. Frequent and severe losses have been suffered by banks upon such loans, in most instances caused by carelessness in the method of handling bills at the time of their issuance or their redemption. The various states have passed statutes which have rendered some assistance but there exists such great ununiformity and conflict that the bankers are unwilling to extend advances which are actually necessary. The vital thing to be obtained would be federal legislation which would make the carrier responsible for the acts of its agents both at the time the bill was issued and the time it was taken up. If such legislation were procured it would put into general use at once an instrument which would possess all the essential characteristics of good collateral. The law which is receiving the support of the American Bankers Association would accomplish this end and would make reasonable requirements necessary to safeguard the banks. Mr. Hagey handled his subject in a lucid and forceful manner. This was his initial appearance before the members of the ways and means committee, and he at once established a reputation for graceful speaking and clear thinking.

Among the bankers who were present were G. P. Hoover and F. R. Elliott, vice-president and treasurer of the Harris Trust; Joseph R. Noel, president of the Northwest State; F. L. Hankey, vice-president of the Northern Trust; John W. Thomas, Malcom McDowell and W. G. Edens, assistant cashier and assistant secretaries of the Central Trust Company of Illinois; Henry S. Henschen, cashier of the State Bank; Thomas E. Newcomer, assistant cashier of the Fort Dearborn National; V. E. Nichols, vice-president and cashier of the First National of Englewood, and M. E. Greenebaum of Greenebaum Sons Bank and Trust Co. Dan Norman represented the Continental and had as his guests Warren W. Smith, cashier of the South Chicago Savings Bank; John A. Carroll, of the Hyde Park State; J. J. Salat, vice-president of the Lawndale State; G. I. McEldowney, president of the Bank of Chicago Heights, D. Wiedemann, cashier of the First National of Harvey and Clarence E. Smith, president of the Peoples Bank, Waukegan.

Notes

Mr. McEldowney celebrated his birthday anniversary by coming in for the luncheon.

This is the third time that the members of subdivision II, banks and bankers, have furnished programs and speakers for the noonday luncheons of the ways and means committee during the present year. At the two previous meetings the subjects of agricultural education, good roads and bank supervision were discussed.

Mr. Hollister's acceptance of the invitation of the Association of Commerce to speak on this subject was greatly appreciated by the members of the ways and means committee. Nine new members of the association were reported by the secretary as having been secured



J. F. HAGEY
Chicago
Assistant Cashier First National

since the last meeting on November 6th. Chairman Stone of the membership committee reported a campaign for new members to be inaugurated next week, Tuesday, Wednesday and Thursday being set aside as the days for this work. Luncheons will be held on these days at the LaSalle, at which time the progress made in the work will be reported.

In the absence of Edward E. Gore, who was out of the city on a business trip, Scott A. Bond, vice-chairman of the committee, presided and introduced the speakers.

Special stenographer Brady, who always reports the council meetings and those of the members of the Illinois Bankers Association, was on the job.

WILLIAM T. ABBOTT ON THE KIRBY FAILURE

William T. Abbott, vice-president of the Central Trust Company of Illinois, when interviewed this week concerning the Kirby private bank failure, said:

"It might be assumed that in the agitation the last few years for controlling the private bank situation in Illinois, and especially with all that has been said and written in the last year, every phase of the subject should have been covered. In some articles, the point has been suggested, that even where the private bank is solvent yet upon the death or legal disability of the banker, all his affairs, including his banking relations, must be settled through the medium of the probate or county court.

"The case of the Kirby Savings Bank, so called, now pending simultaneously in the bankruptcy court and in the county court of Cook county, is an added illustration, as well as one of the most powerful that has yet occurred in Chicago, of the evils of a system which permits unregulated and unsupervised banking, although the amount involved is not so large as in some of the other failures of the past year.

"On Saturday, November 2d, certain petitioning creditors filed a petition in bankruptcy against William T. Kirby, doing business as Kirby Savings Bank, alleging his insolvency and other acts of bankruptcy, and a receiver was appointed.

"On Monday, November 4th, a conservator was appointed for him, he having, as it then appeared, been adjudged insane, on the previous Thursday.

"A conflict of jurisdiction at once arose. The conservator filed a petition in the bankruptcy court, requesting the surrender of all Kirby's assets by the receiver, to him, the conservator.

"As it developed on the first hearing, not only had all the depositors' money been wasted and squandered, but on the eve of the adjudication of insanity or immediately afterward, others associated with him in the bank had secured additional funds from other banks which had not been turned over to the receiver; and, so far as the facts are known at this time, apparently have followed the money of the depositors into devious channels, with the hope of recouping former losses. Judge Landis, with his customary thoroughness, determined to go to the bottom of the matter, and leave no stone unturned to recover that money for the depositors. Owing to the personal relationship between the conservator and the associate of Kirby, into whose hands the money was traced, he was of the opinion that that result was more likely to be reached in the bankruptcy court than by allowing the conservator, a near relative of the family, to assume jurisdiction.

"The various steps by which he has proceeded have been chronicled in the daily press.

"On Tuesday of this week, in entering the order requiring Mrs. Kirby to deliver to the receiver \$20,000, which the court considered the evidence showed had come into her possession, Judge Landis showed a keen grasp of the private bank situation in Illinois, and his remarks are hardly complimentary to organized banks, large or small, who have refused to go on record as favoring supervision and regulation of all banks and bankers in Illinois."

Part of Judge Landis' Opinion

"Now, one thing more before this order is entered. I have been here for nearly eight years on this bench. I have had paraded before me a series of these so-called private bank failures. It is a peculiarity of the private bank failure in this community that the looting of

the bank takes the money which is the earnings of the poor of the community, the accumulation of the pennies from their scant earnings; and this succession of failures of private banks in this community has resulted in scores of suicides of poor people who have lost years of earnings, savings from their toil. And it is to be recalled, in this connection, that there is an influence in the state of Illinois, in spite of this record of failures of private banks—it is actually true that there is an influence in this state powerful enough to prevent the enactment of a law that forbids this kind of business—that makes it perfectly lawful for any man, no matter how irresponsible, to paint the word "bank" on a board, put it up over a door, and open the door and receive the money of these people; and it is a fact that at the last meeting of the Illinois Bankers Association that organization went on record, in the face of the people of Illinois, against the enactment of a law that would break up this nasty business and put this whole field of banking under the supervision of public officers. I say the bankers association of this state—some big bankers and some little bankers—actually stood up in public in their meeting and voted against the enactment of such a law—the big bankers (we might as well be honest about it while we are on the subject), the big bankers, because they did not want to offend private bankers who kept their deposits with them, and the little bankers, because they wanted to be free to handle other people's funds without the examination of a public officer.

"These gentlemen who are responsible for this action I suppose are entitled to such satisfaction, as they contemplate the Kirby failure and other failures like it, as they may be able to get out of their attitude."

"We suppose the answer of the wealthy down-state private banker will be that a man in an incorporated bank is just as liable to go crazy, as a man running a private bank, and that therefore, supervision and incorporation are powerless to prevent the action of the laws of nature. This argument is in line with most of those which have been heretofore advanced, the fallacy of which is apparent at a glance. If the president or other officer of an incorporated bank should go insane, that bank, if solvent, would continue just the same. If insolvent, its affairs would be administered by the banking department of the state, in accordance with the law, and there would be no unseemly conflict of jurisdiction as to courts and the persons who had wasted or squandered the bank's deposits of money would be summarily dealt with. And in any event it would not be left in charge of one woman and a seventeen-year-old boy cashier as in this case.

"This situation is squarely up to the state legislature—the failure of the Illinois State Bankers Association to recommend legislation to this end does not justify the legislature in withholding action on its part. It should speedily pass such laws as will put an end to this scandal and disgrace to our state.

"There will be in the coming legislature, a working majority, but holding the balance of power, of statesmen who were elected on the platform of 'Social Justice.' There is no way by which they can so thoroughly demonstrate the sincerity of their ante-election promises, and so thoroughly promote the cause of 'social justice,' as by forcing, as they will be in a position to do, the enactment of some law that will do away with private banks, the failure of which, as Judge Landis points out in the above opinion, invariably falls upon the poor and ignorant of the great cities.

"Will the 'Social Justice' party meet this call upon them?"

FOLEY I. C. GENERAL MANAGER

Announcement was made on Wednesday of the appointment of Thomas J. Foley as general manager of the Illinois Central Railroad.

Mr. Foley has been assistant general manager of the company for several years and succeeds W. L. Park as general manager. Mr. Park will continue as vice-president in charge of operation of the road.

Sullivan S. Morris, who has been general superintendent of the Yazoo and Mississippi Valley Railroad, has been appointed chairman of the general safety committee of the road. This is a new position.

STATE SENATOR INTERESTED IN ROAD IMPROVEMENT

State Senator H. W. Johnson, president of the Ottawa (Ill.) Banking and Trust Company, visited Chicago Monday. Judge Johnson is very much interested in the matter of road improvement in Illinois, being president of the commercial club of his home city, LaSalle. They have a good roads committee and are busy urging the farmers and land owners of LaSalle county to drag their roads. Judge Johnson will address the members of the LaSalle County Institute at their meeting in Ottawa in February. This plan is to be followed throughout the state generally this winter. The program committee of the Illinois Farmers Institute has arranged that the subject of good roads be considered at each of the county meetings of the institute. Bankers and members of commercial bodies throughout the state are taking a deep interest in this subject, conferring with the managers of the local farmers' institutes and co-operating in the matter of helping to secure suitable speakers and arrange for beneficial programs.

DAVID R. FORGAN TO MAKE ADDRESS

David R. Forgan, president of the National City Bank of Chicago, will make an address on November 19th at the annual dinner of the American Railway Guild. Mr. Forgan's subject will be "How to Avoid Another Panic." The guild is a branch of the American Railway Association, and its membership includes the general officers of railways throughout the country. W. A. Gardner of Chicago, president of the C. & N. W. Ry. Co., is the head of the organization.

CALL MONEY RATE MARKED UP

Several local banks sent out notices this week that the interest rate on outstanding demand loans will be 6 per cent hereafter. Some new call loans have been made recently at the 6 per cent rate, but the bulk of the local money of that class has been going at 5½. In some of the local banks 6 per cent is claimed now as a minimum rate on all classes of new loans. There is an excellent demand for money and the supply for loans is low. The demand from the country continues strong and local borrowers in various lines of industry and commerce are active in the market, preparing for their winter business.

PRESIDENT LORIMER RECOVERING

President William Lorimer of the LaSalle Street Trust Co., Chicago, who is ill at the Presbyterian Hospital with an attack of appendicitis, is rapidly recovering. If the former senator continues to improve as rapidly as at present, he will be able to leave the hospital the first of next week.

The Northwestern National Bank has increased its dividend from 8 to 10 per cent per annum and its surplus by \$25,000 to \$200,000.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Formal notice has been served upon the stockholders of the Kansas City Stock Yards Company that a new company formed under the laws of Maine has been organized to take over the property, and explaining the terms of the proposed transaction. If 75% of the old stockholders accept the proposition, the deal will be made and the stock yards will be turned over to packing-house interests. The new company is capitalized for \$11,500,000, of which \$9,000,000 is preferred stock and \$2,500,000 is common. It is rumored that Edward Morris, head of Morris & Co., will be president of the new company and that control will pass January 1st. The packers now have control of the stock yards in Denver, Fort Worth, St. Joseph, Sioux City, Omaha, East St. Louis and Chicago. Kansas City has the only independent yard in the country. It was built in 1871. Charles Francis Adams, of Boston, was one of seven men who organized and controlled the first company. The business has grown enormously in the forty-one years and the capital stock has greatly increased. It is now in the hands of many hundreds of people, many of whom live in Kansas City. It is proposed that the new company is to take at least one half of the common stock, paying for it at the same rate as the other subscribers. The new company will get the stock of the present company in exchange for preferred stock drawing 5% interest plus \$10 for each share of stock in the present company. Further, it gives stockholders the opportunity to subscribe for one-seventh of their present holdings in common stock, paying \$50 a share therefor. The common stock of the new company will have voting power. It is said that if this deal goes through it will mean the retirement of the present officers of the company, who are: president, C. F. Morse; secretary and treasurer, E. E. Richardson; general manager, Eugene Rust; traffic manager, William Weeks.

Group 5 at Great Bend

An unusual attendance and a jollification over the splendid crops produced in the Southwest marked the meeting of Group 5 of the Kansas Bankers Association at Great Bend, Kan., Wednesday, November 13th. An excellent program had been arranged and the midday banquet served the visitors by local bankers was a most enjoyable feature of the occasion. The address of welcome was delivered by Mayor O. W. Dawson, of Great Bend, and the response was given by M. H. Malott, president of the Kansas Bankers Association. Under the head of "five minute talks" the following addresses were made: A. F. Batty

of Florence, Kan., on "Interest Rates; Should we Discriminate?" John Wagner of Larned, Kan., on "Banking Hours;" A. W. Wilson, Ness City, Kan., on "The Discount Board in a Country Bank;" H. S. Rector, Scott City, Kan., on "How to Decline a Loan;" J. D. Stewart of St. John, Kan., on "The Chronic Overdraft;" O. G. Hinshaw of Sylvia, Kan., on "The Problem of the Tenant Farmer;" O. E. Hawkinson of Marquette, Kan., on "Directors' Meeting; Theory and Practice;" Thomas Atkinson of Sterling, Kan., on "Doubtful Paper; When Should it be Charged Off?" and J. N. Dolley, Kansas bank commissioner, on "Kansas Banks and Kansas Bankers." At the midday banquet C. E. Lobdell was toastmaster and responses were given by C. W. Allendoerfer of Kansas City; W. Y. Morgan of Hutchinson, Kan.; C. L. Brokaw of Kansas City; W. W. Westwood of Great Bend and G. G. Moore, of Kansas City. In the afternoon formal addresses were given by J. H. Stewart of Wichita, on "Signs of the Times;" J. H. Miller, Manhattan, Kan., on "Some Forward Movements," and F. P. Neal, Kansas City, on "Neighborly Relations Between Local Banks." An automobile ride over the city completed a most enjoyable and fruitful day.

Attended Group 5 Meeting

Two special cars were attached to the west-bound Santa Fe train leaving Kansas City last Tuesday night, which carried a number of bankers to Great Bend, Kan., where group 5 of the Kansas Bankers Association met Wednesday, November 13th. Following this meeting, the visitors went to Harper, Kas., November 14th, and Chanute, Kan., November 15th. The same men will attend meetings at Lawrence, Kan., November 20th; Kansas City, Kan., November 21st, and Beloit, Kan., November 22d. The following bankers made up the party, leaving Kansas City Tuesday: From Kansas City—J. E. Longmoor Drovers National; F. W. Burrow, National Reserve Bank; G. G. Moore, New England National; J. C. English, Traders National; R. C. Meneff, Commerce Trust Company; F. C. Cochran, Fidelity Trust Company; Jerome Thralls, manager of the Kansas City Clearing House Association; C. W. Allendoerfer, First National; J. D. Wright, Peoples National; W. S. Fallis, Gate City National; L. C. Smith, Commonwealth National; J. M. Hellings, Interstate National; F. P. Neal, and E. P. Davis, Southwest National Bank of Commerce; H. E. Huttig, National Bank of the Republic; P. W. Goebel, Commercial National, Kansas City, Kan. From St. Louis—Geo. R. Baker, National Bank of Commerce; James R.

Leavell, Mechanics-American National. From Topeka—E. E. Ames, Central National; W. W. Bowman, secretary of the Kansas Bankers Association; J. T. Morrissey, Bankers Surety Company. From St. Joseph—H. Y. Lemon, Tootle-Lemon National. From Chicago—R. F. Newhall, First National Bank; G. B. Smith, Continental and Commercial National.

Death of Captain Logan Enyart

Captain Logan Enyart, 87 years old, a pioneer resident of Nebraska and a banker of varied interests, died at his home in Nebraska City, Nov. 9th, after an illness lasting more than a year and which followed a runaway accident in the western part of the state. Captain Enyart was one of the best known and wealthiest men in Nebraska, owning lands in Nebraska, Kansas, Missouri and Colorado. He was president of the Farmers Bank of Nebraska City and was also majority stockholder in a bank in Ouray, Col., and a bank near Gallatin, Mo. One of his holdings was forty thousand acres of Nebraska farm lands. He was born in Monroe county, Kentucky, June 30, 1833, went to Missouri with his parents, served through the Civil War as captain of Company G, First Missouri Cavalry, and at the close of the war went to Nebraska with fifty cents in his pocket. He was a member of the Nebraska legislature for two terms and was a prominent Mason. A widow and several brothers and sisters survive him.

Borrowers Protective Association Organized

In May, 1912, a unique organization was formed in Pawnee township, Lincoln county, Oklahoma, which bore the name of the Borrowers Protective Association. All of its members were farmers and most of them specialized in cotton. For years they had suffered by excessive rates charged by the banks for money required to handle cotton crops, and as the farmers did not have money to pay their notes at the banks until the cotton crop was marketed, nothing was done by the association until last week when active steps were taken to recover what was alleged to be illegal interest from the banks. The first man to demand a return of illegal interest was Frank Arnold. The bankers at first attempted to fight the case, but finally compromised out of court. Arnold got back \$650 interest. His demand was followed by others. Thomas Elder received \$57.91, Joseph Van Camp \$16 and Elder Boxley \$42.85. The movement has now become general in the cotton growing sections of Oklahoma and it is estimated that thousands of dollars will be returned to the farmers without a fight. The law against

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Assets - 8,000,000

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usury in Oklahoma fixes the legal rate of interest at 6 per cent in the absence of any contract, and parties may agree by contract on any rate not to exceed 10 per cent. The taking, receiving or charging of interest greater than allowed by law is deemed a forfeiture of twice the amount of the interest which the note, bill or other evidence of debt carries with it.

Central West Notes

The comptroller of the currency has appointed Horace C. Reed, national bank examiner, as receiver of the First National at Wilburton, Okla., which failed several weeks ago on account of a defalcation of \$60,000.

Dr. W. S. Woods and Mrs. Woods, who have been visiting for several weeks in Kansas City, have returned to their winter home in San Diego, Cal. Dr. Woods was formerly president of the National Bank of Commerce, now the Southwest National Bank of Commerce.

Incorporation papers have been approved for the Brownlee State Bank of Cherry county, Neb. The bank will have a capital stock of \$15,000 and the incorporators are J. L. Fisher, Fred Whittemore, H. H. Shockley and William Selenfreund. Another state bank recently incorporated in Nebraska is the First State Bank of Whitman, Grant county, which will have a capital stock of \$25,000, with these stockholders: W. I. Farley, Charles Finegan and J. H. Monaghan.

A new state bank is being organized in Springfield, Mo., by Dr. J. M. Wilkerson of that city. It will occupy quarters in a new building now being erected by Dr. Wilkerson at the corner of Center and Boonville Streets, Springfield.

Clyde B. Hayne, formerly vice-president of the Winters State Bank of Winters, Tex., has been appointed bank clerk in the Texas department of insurance and banking. He fills the place vacated by the promotion of William H. Leftwich to the position of bank examiner.

A. M. Young, representative of the Mechanics and Metals Bank of New York, was in Kansas City last week.

S. A. Waddell, assistant bank examiner of Kansas, spent several days in Kansas City's financial district last week.

W. H. Seeger, secretary of the Pioneer Trust Company of Kansas City, returned last week from a month's visit in Cuba. While there he was the guest of E. G. Vaughan, president of the National Bank of Cuba, who formerly lived in Kansas City.

The Texas department of banking has approved the following reserve agents for Texas banks: For the Farmers State of Buda, the City National of Galveston; for the Farmers State of Quanah, the First National of Fort Worth; for the Farmers State of Cooper, the National Bank of Galveston and the First State Bank of Paris; for the Planters and Merchants State of Hearne, the State Bank and Trust Company of San Antonio; for the First State of Murchison, the City National of Dallas; for the First State of Pickton, the First National of Sulphur Springs and the National Bank of Commerce of St. Louis; for the Sanderson State of Sanderson, the City National of El Paso; for the First State of Channing, the State National of Fort Worth;

for the Bluffdale State of Bluffdale, the Farmers National of Stephenson; for the First State of Seminole, the First National of Fort Worth; for the First State of Fowlerton, the Citizens Bank and Trust Company of Austin; for the Texas State of Canton, the State National of Fort Worth; for the First Guaranty State Bank of Leesburg, the First Guaranty State Bank of Pittsburg; for the Bank of Lipscomb, the Oklahoma Stock Yards National of Oklahoma City; for the Chireno State of Chireno, the National Bank of Commerce of Houston; for the San Angelo Bank and Trust Company of San Angelo, the Guaranty State Bank and Trust Company of Dallas; for the New Waverly State of New Waverly, the Lumbermans National of Houston.

Two new state banks have been chartered in Oklahoma. The Farmers State Bank of Kenefick will have a capital stock of \$10,000, and the stockholders are R. P. Dickey and F. F. Lafore of Kenefick, E. C. Milton and A. U. Thomas of McAlester, Green Thompson of Durant and A. F. Manning of Caddo. The Bank of Commerce, Lulu, will have a capital stock of \$10,000 and the directors will be William Pegg of Allen, Charles E. Head of McAlester, John E. Hall and John A. Hamilton of Lulu.

The Cotton Exchange Bank of Cheyenne, Okla., has changed its location to Strong City and will be known as the Strong City Exchange Bank.

The Charlotte State of Charlotte, Texas, has been chartered with a capital stock of \$15,000. The incorporators are W. S. Sasser of Charlotte, R. C. Roos, H. Roos, A. R. Ponder and Jesse E. Thompson of San Antonio.

The following out of town bankers visited Kansas City's financial district last week: Thomas B. Kennedy, Junction City, Kan.; Charles M. Sawyer, Norton, Kan.; E. J. Williams, Fredonia, Kan.; W. J. Bailey, Atchison, Kan.; W. F. Rankin, Tarkio, Mo.; J. T. Pringle, Burlingame, Kan.; E. S. Albans, Vir-

gil, Kan.; J. D. Bowersock, Lawrence, Kan.; E. E. Ames, Topeka; E. L. Orr, Tulsa, Okla.; H. A. Reed, Wellesville, Kan.; R. R. Hamilton, Amoret, Mo.; F. W. Pollman, La Cygne, Kan.; H. L. Rose, Webb City, Mo.; A. E. Stephenson, Hennessey, Okla.; E. W. Snyder, Leavenworth, Kan.; Louis A. Wulfekuhler, Leavenworth, Kan.; R. S. Thompson, Texhoma, Okla.; J. E. Stephens, Westphalia, Kan.; O. E. Kelly, Enid, Okla.

Ohio

Cleveland.—Charles A. Paine, vice-president of the Superior Savings & Trust Co., has been elected president and director of the National City Bank to succeed the late John F. White-law. The bank will increase its capital stock January 1, from \$250,000 to \$500,000. The new stock will be issued at \$200 per share, increasing the surplus from \$300,000 to \$550,000.

Cleveland.—Bank clearings in Cleveland during October crosses the hundred-million mark for the first time in the city's history. Making a total of \$107,644,900, they compare with \$90,917,400 in October last year and show a gain of more than 18 per cent. September clearings showed a gain of 14 per cent over September last year, and the gain in the entire nine months of 1912 was better than 12 per cent over the period last year.

Group 1 of the Ohio Bankers Association met at Hamilton on Tuesday. A big delegation of Cincinnati bankers made the trip, reaching Hamilton at 5:50 p. m. The group was entertained at the Hamilton County Club with a dinner, followed by the business session. Thomas J. Davis, of Cincinnati, is the chairman of the group. O. M. Blake of Hamilton, M. L. Wolf of Xenia, and Hon. J. Adam Bede were the speakers.

The directors of the Fourth National Bank, Cincinnati, have declared an extra dividend of 1 per cent in addition to the regular semi-annual disbursement of 4 per cent. The dividend is a disbursement of \$25,000 on the capital of \$500,000.

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SOUTH TEXAS NATIONAL OUTGROWS NEW HOME

After occupying its magnificent building little more than a year, the South Texas Commercial National Bank, Houston, Tex., has already outgrown its quarters. Plans are now being drawn for the construction of an annex forty feet long at the rear of the building. This will permit the removal of the immense vault to the rear of the building and will give room for eight additional cages for the accommodation of clerks and tellers.

RECEIVER FOR PRIVATE BANK

Ex-county Judge John B. Vaughan of Carlinville, Ill., is acting as receiver for the failed bank of Blodget Bros. & Co., of Brighton, Macoupin county, Illinois.

BANKER ELECTED COUNTY TREASURER

J. T. F. Laughner, cashier of the Citizens Bank of Whitestown, Ind., was elected county treasurer of Boone county at the recent election.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

After making a record run of more than \$2,000,000 for twenty-five consecutive days, St. Paul bank clearings fell to \$1,930,907, which however, exceeded the clearings for the same day in 1911 of \$1,192,491.

Minneapolis Clearings High

Bank clearings in Minneapolis one day last week passed previous records, even at time for grain deliveries. On one grain delivery day the clearings reached \$7,000,000, and at another time approached that total, but the new record is \$7,746,237. The day previous the record was \$7,355,552. The two-day figure of \$15,081,788 was as much as an average week total of a year ago. For the week, with five business days in 1912, compared to six business days last year, the comparative figures are \$33,095,654, and \$31,641,978. Clearings for 1910, the highest yet, \$1,155,659,665, will probably be passed in 1912. Sixty millions of dollars have been paid for grain shipped into Minneapolis, since September 1st, by Northwestern farmers.

Elected Treasurer Y. M. C. A.

E. W. Decker has been made state treasurer for the Young Men's Christian Association. He succeeds a man who served the state committee ten years. J. S. Ulland, president of the Fergus Falls National, was elected member of the committee.

First National Scores in Football Game

The First National clerks football team administered a sturdy whaling to the football team of the Northwestern National last week. The score was 10 to 0. A regular sporting editor reported the game, in which he said in complimentary terms of the clerks' work: "Le Palma drop-kicked a goal from the field, and added one more point to the score when he kicked a goal from a touchdown made by Jaffray. The feature of the entire contest was a forward pass, Hodgins to Jaffray, behind the goal posts for the touchdown. About 500 witnessed the game."

New Fire Insurance Company Organized

With an authorized capital of \$1,000,000, the Bankers & Merchants Fire Insurance Company has been organized in the Metropolitan Life Building, Minneapolis. C. A. Christensen, head of the Minnesota & Western Grain Company, and member of Stair, Christensen & Timmerman, is head of the organization. W. C. Thom, cashier of the First National of Rushmore, Minn., is one of the incorporators.

Northwest Products Exposition

Joseph Chapman, vice-president of the Northwestern National, presided at the opening of the Northwestern Products exposition Tuesday night, in the Minneapolis Armory annex. The show is under the auspices of seven states. Governor A. O. Eberhart, was the speaker.

F. A. Gross Elected President Twin City Bankers Club

F. A. Gross, president of the German American Bank, Minneapolis, was elected president of the Twin City Bankers Club last week at the annual meeting in the Minneapolis Club. He succeeded E. H. Bailey, president of the First National, St. Paul. E. W. Briggs, cashier of the Stock Yards National, South St. Louis, was elected vice-president and George F. Orde, vice-president of the First National, Minneapolis, was re-elected secretary-treasurer.

Savings Department Opened

The Merchants National, St. Paul, has completed arrangements for its savings department and deposits are being received. The opening was last week.

Charles R. Frost Resigns

Charles R. Frost, secretary of the Minnesota Bankers Association since April 1, 1908, has resigned and will leave his work December 1st, to become treasurer of the National Surety Company of which William B. Joyce, formerly of Minneapolis, is president. Mr. Frost will

move to New York. George A. DuToit of Chaska, chairman of the executive committee, will call a meeting soon to elect a successor to Mr. Frost. Mr. Frost has also had charge of the protective work of the Interstate Protective Association. Mr. Frost was born in St. Paul. He was manager of the American Bank Insurance Company before he became secretary. Before that he was connected with the legal department of the Twin City Rapid Transit Company.

St. Paul Bank Merger

Purchase of the National German American by the Merchants National has been authorized. The consolidated bank will have capital of \$2,000,000 and surplus of \$1,909,000, also deposits of \$20,000,000. J. W. Lusk, president of the National German American, and Kenneth Clark, president of the Merchants, resigned, and were made members of the new board. Donald S. Culver, vice-president of the German American, became president and G. H. Prince, vice-president of the Merchants, became chairman of the board. F. Weyerhaeuser, vice-president of the German American, takes the same office with the new bank. L. W. Hill expects to remain a director of the Merchants. Each stockholder of the purchased bank is to receive one share in the Merchants. The new bank is to remain in the Merchants quarters, Fifth and Jackson streets, but a separate company may erect a building in the spring.

The Commercial National Bank has doubled the size of its directors' room, in the Lumber Exchange, by taking the additional space from the exhibit room of the west coast lumber manufacturers.

Coal Shortage

Coal shortage in the Northwest was discussed this week in Minneapolis, by James K. Ilsley, president of the Marshall & Ilsley Bank, Milwaukee. He said the shortage may extend to the bituminous field. He said there, is not

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

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enough coal on the docks at Milwaukee to last through the winter.

Minneapolis Delegation to Investment Bankers Convention

Eugene M. Stevens, of Stevens, Chapman & Co., a member of the executive council of the Investment Bankers Association of America, is arranging for a Minneapolis delegation to go to the annual meeting of the organization in New York City, November 21st and 22d.

The gathering will be the first annual convention of the organization, and, according to Mr. Stevens, there will probably be representatives from 300 investment banking institutions and trust companies at the meeting, as well as 600 New York bankers.

In the Minneapolis delegation will be Mr. Stevens, E. W. Decker, representing the Minnesota Loan and Trust Company, and C. T. Jaffray, representing the Minneapolis Trust Company.

A. I. B. Hears Discussion on Historical Minneapolis

Historical Minneapolis was discussed before the Minneapolis chapter of bank clerks at Dayton's tea rooms by Douglas A. Fiske, new president of the Minneapolis Civic & Commerce Association. One hundred and twenty-five were there. He said that:

"In every banking institution of this city and every business house the managers or officers are cognizant of the fitness of the employees for advancement, and the man that gets the advancement is the man who not only knows his own job, but something of the man's work ahead of him, and also something of the general affairs of the city, for a man is more competent to administer the affairs of a bank or a business house if he knows something of the growth and development of the city and the reasons therefor, than the man who narrows his activities to the limits of his particular job. And so to-night I want to start you thinking about our great city, its wonderful development, and its brilliant future.

"The trade territory, exclusive of Canada, now tributary to Minneapolis, embraces one half of Wisconsin, Minnesota, northern Iowa, North and South Dakota, Wyoming and Montana, an empire in itself," said Mr. Fiske. "This rich territory is teeming with its millions which are surely coming."

Law Suit May Result

Alleged embezzlement of state funds may lead to suit against the banks which cashed checks for \$19,540, bearing forged indorsements, and against E. K. Pruitt and W. D. Raymond, former secretaries of the board of stock commissioners. Recommendation to this effect has been made by the legislative committee appointed by Governor Norris, to investigate the alleged embezzlement by Samuel Langhorne, Jr., clerk in the office of the board. The report is that another shortage of \$1,512 has been discovered traceable to J. H. Lander, stock inspector, formerly at Chicago. The members of the board are criticized in the report for negligence.

St. Paul Scandinavian Bank Sold

On Thursday of this week President A. L. Alness sold control of the St. Paul Scandinavian American Bank to a syndicate headed by directors J. C. Carlson and J. A. Swenson. Reported that 450 out of 512 shares were taken at 410, and the syndicate buys the bank building at \$65,000. Alness will remain as president. A dividend has been declared from earnings of \$190,000, leaving book value 210. Vice-president C. L. Johnston and Director A. E. Boyesch retire; Assistant Cashier J. B. Jensen was made vice-president and director, and Bookkeeper A. G. Hultgren becomes assistant cashier. C. H. Biorn was elected to the board and J. A. Swenson was re-elected cashier. Capital remains \$100,000 surplus \$100,000, and undivided profits are \$10,000. No individual owns more than 100 shares.

Increases Capital

In line with the general forward movement in St. Paul the American National bank will increase its capital from \$200,000 to \$500,000 and surplus from \$100,000 to \$250,000. The American National has assets of \$2,476,877 and deposits of \$2,064,428. This follows sale of the Second National to James J. Hill, sale of the Northwestern Trust to the First National and merger of the National German American into the Merchants National.

J. R. Mitchell

"Large capital gives increased facilities in the financing of large business," said J. R. Mitchell, president of the Capital National, "and while to many it seems like added power which might work to the city's detriment, however, under the proposed management, both the banks merged will be officered by members of the present staff and there is little to fear from such a consolidation of banking capital.

"The effect upon the future of the Capital National bank is encouraging, and one of its greatest advantages is the close association with the Capital Trust company, by which we are enabled to take care of whatever large business comes to us and yet give to the smaller business interests—which we consider our greatest asset—the attention they need."

Minneapolis Trust Re-elects Directors

James J. Hill, St. Paul, and five other men were re-elected directors in the Minneapolis Trust company at the annual meeting, Nov. 12th. Officers were re-elected also, including Elbridge C. Cooke as president. The other directors are leading business men: C. T. Jaffray, vice-president of the First National; W. H. Dunwoody, chairman of the board of the Northwestern National and director in the Great Northern road; Isaac Hazlett, banker, and J. R. Kingman and C. S. Langdon. The directors declared a 3 per cent semi-annual dividend two weeks ago, payable Nov. 1st.

Will Erect Bank Building

The Simons Realty company, of which L. C. Simons, cashier of the Twin City State Bank, is cashier, has leased a lot for 100 years across from the bank, at Raymond and University ave-

nues, a main line of traffic between the two cities, and will erect a building for the bank. The lower floor will be for banking quarters.

County Deposits Bid at 270

Practically all the Ramsey county banks were bidders for county deposits at 2 per cent. Heretofore the county was getting only 1½ per cent. Bids were received in which some of the banks bid less than 2 per cent. The bids were rejected and on a re-bid all banks bid 2 per cent. The action of the auditing committee was in line with a recommendation of the state bank examiner in his annual report, which decried the low rate.

Buy First State of Sauk Center

The First State of Sauk Center, Minn., has been bought by a crowd of capitalists composed of A. G. Whitney of St. Cloud and J. A. Caughren, M. F. Woodbury, J. A. Dubois, J. F. Cooper and Thomas Sullivan of Sauk Center. J. A. Caughren is president, Mr. Woodbury is vice-president. Capital stock is \$25,000. The bank is known as one of the strongest in central Minnesota.

New Minnesota Banks

With capital of \$10,000, the Pelican Rapids State Bank, Pelican Rapids, Minn., has incorporated. C. R. Frazee, P. C. Frazee, H. E. Frazee, G. M. Mills, H. G. Page, W. K. Frazee, Pelican Rapids, and J. A. Bjornstad of Minneapolis are the men behind the institution.

The Farmers State of Raymond, Minn., has a capital of \$10,000, and has just been authorized with incorporators as follows: Russel Spicer, C. W. Odell, E. M. Stanford, A. N. Lewis, John Feig, C. B. Carlson, all of Willmar, Minn.

Northwest Banking Notes

Banks in Winona county have bid upon daily balances of county funds on the basis of 1%, for two years, and the audit board will recommend to the county board a division of the funds among the banks on this basis.

George F. Orde, vice-president of the First National, Minneapolis, is interested in a proposed national school writing contest. J. R. Bayley, supervisor of writing in the schools, has written to twenty-five cities. Mr. Orde will assist financially. It is proposed to have each room of the sixth, seventh and eighth grades in each city submit two samples of writing. The contest will close in April. A silver cup goes to the winner.

Alderman Karl De Laitre has been elected a member of the board of trustees of the Farmers & Mechanics Savings Bank, to take the place of the late John De Laitre, former president, his father.

The State Bank of Tree Lake, Wis., has been formed with \$10,000 capital. C. G. Kuney is president and J. P. Parrette is cashier. Another new Wisconsin bank is the Whitewater Commercial & Savings Bank, capital \$50,000. Incorporators are: M. R. Fish, Jerome Baker, D. F. Zuell, and others.

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J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

Spokane, Nov. 11th.—Spokane bankers and men in all lines of business are showing a keen interest in the development of active plans for the building of the \$2,000,000 Davenport hotel, work on which is now under way. The site for the fourteen-story hotel has been cleared, and the contract let to the Engineering Construction Company, a Spokane firm, for excavating and erecting basement walls. The awarding of contracts for actual building has assumed a national aspect, and some of the largest construction firms in the United States have men on the ground preparing figures. Among the large firms already in the field for the general contracts are: The James Stewart Construction Company, St. Louis; James Black Masonry & Contracting Company, St. Louis; Dinwiddie Construction Company, Portland, Ore.; Brayton Engineering Company, Portland; Hurley-Mason Company, Portland; Lewis A. Hicks, San Francisco, and the Sound Construction Company, Seattle. The hotel, which is financed almost entirely by Spokane capitalists, will rank with the finest in the west.

National Apple Show

Bankers of Spokane and the surrounding country will take a leading part in one of the most important movements of the Pacific Northwest, namely, solution of the problem of financing and marketing the big apple crop. During the National Apple show in Spokane, November 11th to 17th, a conference of bankers, railway officials, apple growers and fruit by-product manufacturers will be held to discuss these problems. It has been demonstrated beyond doubt that the Spokane country has all natural advantages for apple production of the finest quality, but the industry has not yet reached the stage where it can command all the money needed in the natural course of harvesting and marketing the crop. The crop in this section this year amounts to more than 12,000 carloads.

President D. W. Twohy of the Old National, Spokane, will lead the discussion on financing, followed by O. A. Fechter, president Yakima Valley Bank, and Trueman Butler, vice-president Butler Banking Company, Hood River, Ore.

Sells Interest in Railroad

O. G. Laberee, of Spokane, has sold his interest in the Alaska Northern Railroad at a stated price of \$1,250,000 to a syndicate of Canadian bankers. The railroad was organized by Mr. Laberee in 1909, since which time he has been president, and his son, B. R. Laberee, has been assistant general manager. Both have resigned and will devote their attention to development of the Pincher Creek Coal Mining Company, in Alberta, in which they are heavily interested. A. H. Wheatley, of Spokane, secretary to Mr. Laberee, will succeed to the presidency of the railroad.

Spokane Chapter Men Selling Tickets for Apple Show

The Spokane chapter, American Institute of Banking, has pledged itself to assist in the

financing of the Fifth National Apple Show, and thirty-eight members are engaged in an office-to-office canvass of the city, selling season tickets. The business district is divided into nineteen divisions, each in charge of two workers. The banks are giving their employees all the time necessary to do the work.

Out-of-town Visitors

Among out-of-town bankers in Spokane last week were: H. T. Jones, president Hartline (Wash.) State Bank, and F. H. Schultz, president both of the Commercial Trust & Savings Bank of Wenatchee, Wash., and of the Douglas County Bank, Waterville Wash.

Will Open Buffalo Office

Stevens & Hoag, a Spokane lumber purchasing firm, has contracted for 15,000,000 feet of Idaho white pine for 1913 delivery. The firm will open a branch office in Buffalo, N. Y., whither George W. Stevens, senior partner, is now traveling. Mr. Stevens has arranged for the firm to become exclusive eastern selling agents for the Larson Lumber Company of Bellingham, Wash.; for the California White Pine agency of San Francisco, and for the Redwood manufacturers of Pittsburg, Cal. En route Mr. Stevens closed a deal for another 8,000,000 feet of Idaho white pine to be shipped to eastern states, partly by rail to Duluth and thence down the lakes, and partly to New England and the Atlantic seaboard. Mr. Stevens will open the Buffalo office November 1st, and will immediately make arrangements to put several salesmen on the road. In addition to the western and Idaho white pine from the Inland Empire territory, the Buffalo agency will handle other Pacific coast products, such as fir, cedar, redwood and California white and sugar pine.

Banking Notes

Frederick A. Collmann of Hathaway, Smith, Folds & Company, Chicago, has been visiting the Northwest Loan & Trust Company, his company's Spokane representative.

J. B. Moberly, real estate loan manager of the Mercantile Trust, St. Louis, and Judge Goode, counsel of the company, also of St. Louis, have been in Spokane several days, con-

ferring with officials of the Union Trust & Savings Bank.

H. T. Jones, president of the Hartline State, Hartline, Wash., was a visitor at the National Bank of Commerce and the Old National last week.

Seattle

The Seattle Clearing House Association held its annual meeting recently and elected Vice-president J. E. Chilberg of the Scandinavian-American to the presidency of the association. President E. W. Andrews of the Seattle National was elected vice-president and J. W. Spangler secretary of the association. Vice-president J. A. Swalwell of the National Bank of Commerce, and President E. Shorrock of the Northwest Trust and Safe Deposit Company, were chosen members of the executive committee. The other members are President N. H. Latimer of the Dexter-Horton National and E. W. Andrews, who hold over. The trust committee is composed of President J. W. Maxwell of the National City Bank, Vice-president A. H. Soelberg of the State Bank of Seattle and Cashier N. B. Solner of the Union Savings and Trust Company. A new set of rules adopted by the association introduces no change of general interest. The rules had not been altered very much for many years, and minor changes were desired to adapt the rules to the larger commercial importance of the city.

The State Bank of Seattle announces that owing to a large increase of business during the past few months, it has become necessary for the bank to enlarge its official force. A. H. Soelberg, who has been acting as cashier in addition to his duties as vice-president, at a meeting held October 25th resigned the office of cashier, and Hugo Carlson was appointed to fill the vacancy, Mr. Soelberg still remaining active vice-president. Mr. Carlson has been connected with the bank since its organization, and was until recently manager of its bond department. Otherwise the official staff remains unchanged.

Bankers of the Puget Sound district will hold a meeting on or about November 24th for the purpose of organizing the third group of banking institutions authorized by the state association at its last meeting. A committee composed of H. L. Merritt, Seattle; Victor Roeder, Bellingham, and Robert Moody, of Everett, are now working out the details. Groups of these banks, of which there are to be seven in the state, are for the purpose of closer relations and more intimate study of Washington's diversified industries. The groups will take no authority of a legislative character, but such new measures as they create will be taken before the legislative committee of the state association for action. At each meeting of the group for Puget Sound a speaker, expert in his subject, will address the bankers. Logged-off lands, lumber and shingles, the best and



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W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

cheapest method of clearing lands, and other subjects, will be discussed and acted upon.

The farmers' unions of Whitman county, Washington, are planning to establish a stock company with a capital of \$500,000. This company is to control stores in several of the more important towns of the county and also to control a bank with which they will finance the stores. The present plans call for 5,000 farmers to take \$100 worth of stock, or if this number cannot be interested, to secure 2,500 farmers to take \$200 worth each. The stock for the stores will be purchased from eastern manufacturers, and thus they hope to eliminate the profits of the middleman. The stock will be underwritten by the Farmers State Bank of Colfax.

EDUCATION IN SAVING AND THRIFT

President Joseph R. Noel, of the Northwest State Bank, Chicago, has been placed at the head of the Illinois committee of the savings bank section, A. B. A., to conduct a campaign of education in saving and thrift. He has issued his first general letter in the beginning of what those who know Dr. Noel will expect to be a systematic and pressing attempt to do something significant. The circular letter under date of November 13th reads:

Under date of November 1, 1912, E. G. McWilliam, secretary of the savings bank section of the American Bankers Association, wrote me in behalf of the methods and systems committee, having in charge the campaign of education in saving and thrift, that I was expected to be chairman of a committee to promote such a campaign in Illinois, and it was suggested that as a first step we endeavor to secure the adoption of the school savings bank system in every city of any size in this state. With the letter was enclosed a list of those in this state who had manifested considerable interest in this undertaking, and by the aid of whom an active committee was to be formed. The list was as follows:

Alton—First Trust & Savings Bank, D. A. Wyckoff, cashier.

Beardstown—First National Bank, T. K. Condit, cashier.

Chicago—Central Trust Company of Ill., W. G. Edens, asst. secy.; Chicago Savings Bank & Trust Co., Lucius Teter, president; Franklin Trust & Savings Bank, E. F. Olson, cashier; Harris Trust & Savings Bank, H. B. Mulford, adv. mgr.; North West State Bank, Joseph R. Noel, president.

Galesburg—Peoples Trust & Savings Bank, W. A. Armstrong, cashier.

Harvey—Bank of Harvey, W. H. Miller, president.

Jacksonville—Jacksonville National Bank, Miller Weir, cashier.

Oak Park—Oak Park Trust & Savings Bank, Paul E. Zimmermann, cashier and secretary.

Pekin—Farmers National Bank, A. A. Sipfle, cashier.

Rochelle—Stocking Trust & Savings Bank, A. W. Guest, cashier.

Evidently Mr. McWilliam wrote each of those named above about this matter, for I have received letters pledging active co-operation from most of them.

I assume that all the others named in the list are also interested in this question, and are willing to serve on this committee. I am therefore sending copies of this circular to all these gentlemen.

Before we undertake to do anything as a committee, it might be well first to determine whether it would be practicable to try to hold a meeting of the entire committee. Of the

fourteen names on the above list eight are either in Chicago or within a few miles of it. Therefore it would appear that Chicago would be the logical meeting place if it were considered advisable to hold such a meeting, and if it is so considered it would seem best perhaps to allow the member who is farthest away from Chicago to express the first preference as to a date for such meeting. This member is Mr. Wyckoff of Alton. The next farthest away is Mr. Weir of Jacksonville, and the next, Mr. Condit of Beardstown. Then Pekin, Galesburg and Rochelle follow in the order named.

Question 1. Shall we attempt to hold a meeting of the committee?

Question 2. If it is determined to hold a meeting, should the above or a similar suggestion as to preference of date of meeting be carried out?

Question 3. What is your first preference as to the date of the meeting?

Question 4. What is your second preference.

Question 5. What is your third preference? If it is deemed inadvisable to hold a meeting we could of course interchange ideas through the mail, but at best this would necessarily be unsatisfactory.

The possibilities and opportunities for work of this committee are greater than one would at first imagine and apparently widen as he studies the situation, and it seems quite important to a satisfactory result that each of us devote considerable study to the subject.

Our bank belongs to two outlying bankers' associations in this city, and at the last monthly meeting of one of them, a committee was appointed for the purpose of (1) investigating the school savings bank system, (2) co-operating with a similar committee which will probably be appointed by the other outlying bankers' association, and (3) reporting back to the next meeting of the association—all with the end in view of eventually securing the authority of the board of education in this city to inaugurate the system.

A principal of one of the Chicago high schools, through a singular coincidence, wrote me in this connection several days ago, evidencing a very lively interest in the system. In a recent letter, he endorses one he had received from a teacher of the seventh grade in a Cincinnati public school. Observing a newspaper item to the effect that the system was being tried in Cincinnati, the principal

referred to wrote the school authorities there; and this teacher, to whom the inquiry was referred, answered that the system was instituted in her school September 19, 1912, and says: "We have grades from the kindergarten through the eighth grade and find the movement more interesting in the lower grades. Dr. Washburn, while not the originator of the savings bank idea in schools, conceived the idea of starting one in our own school, which has, as yet the only bank, though two or three suburban or county schools are on the eve of similar enterprise. The venture has been eminently successful. In a community of laboring people, of foreign birth or extraction largely, it is amazing to us that already we have 530 depositors out of a school enrollment of 1300, while some \$450.00 has been deposited. If you contemplate trying the experiment in your own class, merely let me refer you, for suggestions, to the October issues, 1911 and 1912, of the 'Popular Educator,' wherein appear articles written by myself upon the bank as operated in my own class for the past two years. If you wish to launch forth more broadly, we shall be glad to tell you something of what we have done. As, however, much that I might say would be unnecessary, it might expediate matters if you should ask questions upon points concerning which you wish information. We shall then try to give you all the help possible. We have found the venture wonderfully educative and are glad of an opportunity to extend its usefulness."

The literature on this subject which I have seen is as follows:

"How to Operate a School Savings Bank." Issued by the Savings Bank section of the American Bankers Association. I presume all of you have received copies of this pamphlet. If not, I shall be pleased to supply any of you with a copy.

"The Tidings of Thrift." An article which Mr. McWilliam informs me appeared in the September number of the "Bankers' Home Magazine." I have only the one copy he sent me, but I shall send it to any of you who desire to see it. It includes a table of statistics, showing that deposits in school savings banks in various parts of the country are in excess of \$900,000.00.

Report of Committee on Methods and Systems of the Savings Bank Section of the American Bankers Association. Made at the Detroit convention, the proceedings of which have not yet been published in book form. Many banking journals have given it in full. It is a very interesting report, especially the latter part thereof, and should be read by every member of this committee.

Dr. Noel is polling those interested with a view to calling a meeting at a convenient time.

BANK LOSES INDEMNITY

Frankfort, Ky.—The United States Fidelity and Guaranty Company has been saved \$10,000 by the decision of the Court of Appeals in the case of the Ballard County Bank's assignee against the company. Suit has been filed against the company to recover \$10,000 indemnifying bond placed on Cashier W. F. Purdy, who is alleged to have peculated \$11,750. The contract of the indemnifying bond provided that a report of any disclosure of peculations should be made within six months after the discharge of Purdy, but the discoveries were not made until two years later. The appellate court holds that the bank cannot recover under such conditions.

One way to make our bedlamites self-supporting is to permit them to open banks, but it is a poor way.—Record-Herald.

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Single rooms, private bath	- -	\$2.00-\$2.50-\$3.00
Suite, parlor, bedroom and bath	- -	\$4.00-\$5.00
Suite, parlor, 2 bedrooms and bath	- -	\$5.00-\$6.00
Each additional person in same room		\$1.00 extra.
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Iowa Banking News

By W. C. JARNAGIN

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DES MOINES, IOWA

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Cedar Rapids, Iowa

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OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

TENNESSEE BANK ELECTS OFFICERS

The stockholders of the First National Bank, recently organized at Petersburg, Tenn., with a capital stock of \$25,000, have elected the following officers: J. P. Dwiggins, president; R. H. Terry, vice-president; B. C. Dysart, secretary. It is announced that the new bank will open for business soon.

Des Moines, Nov. 13th.—Des Moines bankers predict an era of prosperity despite the advance notices that Wilson's election would mean hard times. With general accord, they declare that the election results will not in the least disturb conditions. In fact, they think that the unsettled condition that has prevailed prior to the election was more disturbing to prosperity than the placing of the democrats in power.

"The democrats will go slow and conditions will not be affected," says Arthur Reynolds of the Des Moines National. "It will be two years before there will be any lawmaking on the part of the democrats. Then they will consider well the conditions that confront them because they will know that they will be held responsible for any disturbing situations. In Cleveland's administration the democrats faced a depression for which they were not responsible, but for which they have been held to blame. I believe that the adoption of the income tax will be of great aid in keeping up the national revenues. So far as Iowa is concerned, this state suffers less from financial influence probably than any other, and I am certain that Iowans need not have the slightest apprehension.

Homer A. Miller, of the Iowa National, agreed with Mr. Reynolds that general conditions are not likely to be affected by the election of Wilson. He pronounces conditions as harmonious and asserts that the election of a president would not alter them, no matter which one of the three leading candidates were chosen.

Charles H. Martin of the Peoples Savings, G. E. MacKinnon of the Mechanics Savings, John Hogan of the Ferman Savings and other bankers, when interviewed on the election, expressed themselves as highly pleased with the outcome and certain that the country will continue prosperous.

Bank Robber Captured

Harry Lee, alias Charles McBride, has been arrested at Cedar Rapids on the charge that he is one of the gang which sought to rob the Alburnett Savings Bank at Alburnett last Friday night. According to word which has reached Secretary Hall of the Iowa Bankers Association, Lee was cleaning a .38 revolver when the Cedar Rapids officers broke in the door to his room and arrested him before he had time to defend himself. On the table before him sat a bottle of nitroglycerine. In his possession was a pair of shoes that fit the description of shoes stolen from a store at Cedar Point, and other articles of clothing were similarly identified. Five charges of dynamite were exploded at Alburnett and the vault door blown off, but the men escaped when the town began to awaken. A similar effort to rob the Hudson Savings Tuesday night also ended in failure.

Bankers Club Meets

The Des Moines Bankers Club held a most

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier

A. F. DAWSON, President

enjoyable session last week at their November meeting. E. D. Hulbert, vice-president of the Merchants Loan & Trust of Chicago, who was expected to make the address of the evening was forced to decline at the last moment, and Rev. John Bamford, of the Westminster Presbyterian Church of this city, was asked to give an illustrated lecture on Ireland. Prior to the meeting, dinner was enjoyed at the Des Moines club. The Bankers Club is starting out well this year and the prospects are that the season will be the most enjoyable of any in the history of the organization.

Overdrew His Account

A curious case affecting the failure of a bank to notify one of its customers when his account was overdrawn is reported from Bedford. It seems that one W. C. Allen was held for obtaining money by false pretences. The defendant had drawn a check on the Kellerton Bank which he had presented at the Citizens Bank at Bedford and had received his money. When the check reached the bank upon which it was drawn, it was returned with the statement that Allen had no money in the institution. Allen showed at the hearing that often his account at the Kellerton Bank had been permitted to go overdrawn without his being notified and that he had no reason to think when he drew this one that he had no money in the bank. Under those circumstances, the court ordered Allen released. It developed that the check in controversy had been lost in the meantime and Allen declares he will pay it when it is produced.

Bleakly Re-elected State Auditor

State Auditor Bleakly had a live run for his money at the recent election but at this writing it is thought that he will again be in charge of the state banking department with a majority of some 17,000 votes. The state ticket in some places was very close and it was thought for some hours that Mr. Bleakly had gone down with the general republican "depression." Mr. Bleakly has been a popular official. His election makes certain that the banking department clerks will remain as at present for another two years.

Install Policeman

The Iowa State Savings at Cedar Rapids

has started a metropolitan pace in that city by placing a special policeman in its building for the protection of its customers. The presence of this blue-coated officer within the institution is believed by the officials to be of value. Not long ago, a farmer was standing in the institution counting a roll of money, he heard a cry of "runaway" and ran to the window leaving his "wad." In such cases as this, the special policeman is expected to be on the job, thus eliminating dangers of complications resultant from carelessness and such.

Will Speak at Minneapolis

Arthur Reynolds, president of the Des Moines National, has accepted an invitation to speak at Minneapolis, November 20th, before a joint meeting of the Minnesota Agricultural Congress, the Citizens League of Minnesota, and the National Citizens League. Mr. Reynolds will discuss the Aldrich plan and give his views on the central bank question. This is a subject dear to Mr. Reynolds' heart and the bankers who assemble at Minneapolis may be prepared for something high class and interesting.

Celebrates Thirty-fourth Year in Banking World

Harry T. Blackburn, cashier of the Iowa National of Des Moines, last week celebrated the thirty-fourth year of his entrance into the banking field. He started as a clerk in the Citizens National and was for eighteen years with the institution. He then became bank examiner and followed it for four years. Twelve years ago he became connected with the Iowa National and is today one of the most popular bank officials in the city.

John P. Hess Shot While Hunting

John P. Hess, president of the German Bank of Carroll, was accidentally shot while hunting near Carroll. He stumbled while carrying a gun and the charge entered one of his legs just below the knee joint. At this writing it seems certain that the limb will need to be amputated, and his condition is regarded as critical.

F. C. Langfeldt Leaves for Wisconsin Bank

F. C. Langfeldt, who has been engaged in the banking business at Durant, Iowa, for several years, has removed to Stoughton, Wis., where he becomes identified with the Citizens National through the purchase of the McCook interests in that institution. While he was with the Durant institution it grew in deposits from \$300,000 to \$600,000.

W. R. Jameson Enters Brokerage Business

W. R. Jameson, who has been active in the management of the Waterloo Loan & Trust up to July 1st, has now entered the brokerage business and will buy and sell high class securities, mortgage loans, etc. Mr. Jameson has been an active worker for the Iowa Bankers Association and has many friends who will wish him success. His offices are in the Black Hawk National building.

Holstein Savings Celebrates Twenty-fifth Anniversary

The Holstein Savings, at Holstein, observed its silver anniversary on November 1st. When this bank commenced twenty-five years ago, it had a capital stock of \$25,000 and deposits of \$40,000. Now it has capital stock of \$60,000, surplus of \$40,000, undivided earnings of \$30,000 and a total in deposits of \$750,000. C. J. Woglenburg, who is cashier of the institution, is president of the Cushing Savings, the Merchants State at Correctionville and is otherwise actively identified with business enterprises. J. W. Reed is president and J. C. Kuchel is vice-president.

Banking in Council Bluffs

The Council Bluffs Nonpareil recently



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907
HARRIS TRUST BUILDING, CHICAGO

issued a complete section, devoted to the enterprising banks of that city, in one of its Sunday editions. This spoke well for the prosperity of the institutions and also for their up-to-dateness in purchasing advertising in the paper. Banks which advertise are never dead ones. The Nonpareil shows that the combined deposits of the banks of that city are \$7,250,000 and the assets about \$9,000,000.

Iowa Banking Notes

The Jefferson Savings at Jefferson has installed a sanitary drinking fountain in front of its building at Jefferson.

N. C. Kotchell has resigned as president of the Iowa State of Mason City and has been succeeded by J. T. Pickard, formerly cashier.

Dr. W. E. Long becomes vice-president and H. T. Fuller becomes cashier. A. M. Schanke becomes member of the board of directors.

P. A. Korab, cashier of the Iowa City State, is mourning the loss by death of his wife, who expired from heart trouble.

W. T. Totten has bought into the Ames Savings at Ames. He has been for several years head of the bank at Gilbert.

The Sibley State at Sibley has disposed of the two-story block in which W. F. Fitzsimmons has been doing business. Mr. Fitzsimmons acquired the property.

A. Walden, aged eighty-four, for years president of the Farmers & Merchants at Corydon,

died last week. He bequeathed \$165,000 for civic improvements in the city.

Frank Pearson, who has been cashier of the Citizens Savings at West Liberty, has accepted the position of cashier in the West Branch State at West Branch.

R. R. Leighton was arrested at Keokuk and taken to Mason City to answer a charge of forgery by which he secured \$48 from the Iowa State at Mason City.

The Iowa State at Mason City has increased its capital stock from \$50,000 to \$75,000.

Sioux City

By JOHN J. BIDDISON

"Hello, Lutz," said a Sioux City detective to Peter Lutz, absconding cashier of the First State Bank of Zeli, S. D., when the officer accosted him on the streets of Sioux City Monday. "Guess you'd better go along with me, hadn't you?" Lutz "guessed maybe he'd better," and the pair repaired to the police station.

The sheriff from Lutz' home county put in his appearance soon after, and the banker smilingly declared that he was game and agreed to go back home without requisition papers. He had on his person when apprehended, more than \$1,900 in bills, said to be all that remains of the \$17,000 he had made away with in the course of his peculations. Lutz was recognized by a photograph and followed to the postoffice, there to get a letter that the officers had information he would receive. He got nervous, however, and did not go up to the window, so the officer nabbed him anyway. J. L. Wingfield, state bank examiner, discovered the irregularities and put the officers on the trail of the absconder. The arrest came only a few days thereafter.

J. Q. Adams has come to Sioux City, from Wahpeton, N. D., to be associated with the Farmers Loan & Trust Company. He has leased a beautiful home here.

G. S. Needham, cashier of the State Bank of Early, Ia., is dead, after a three weeks illness from general breakdown. He was one of the best known bankers of northwestern Iowa.

Chas. Shammo, of Brewer, Ohio, who gave a grocer here a check for \$740, drawn by E. H. Cosgrove & Co., of Lincoln, on the First National Bank of Lincoln, and cheerfully assured the merchant that it was in payment for three weeks' work, will have to tarry a while in the custody of the law. The police have received word that the check is worthless.

The state banking department at Pierre, S. D., has issued figures for September, showing that the total combined deposits in state and national banks on September 4th was \$85,374,991, as against \$78,884,771 on June 14, 1912.

Total bank clearings in the city last week were \$3,225,841.28.

The Farmers Home Bank of Lily, S. D., has been incorporated with a capital of \$10,000 and the following officers: O. A. Fossum, president; O. K. Berg and Jas. Anderson, vice-presidents; T. A. Fossum, cashier.

F. B. Gannon, president of the First National Bank of Aberdeen, S. D., who was defeated as a candidate on the democratic ticket for the state treasurership, still has some consolation. He will leave early in February with Mrs. Gannon for Naples, Italy, and from that point will tour Europe in an automobile that will be shipped ahead of them. Mr. Gannon had been promising himself for some time that if he lost the election he would take this pleasure trip.

The citizens of Corydon, Ia., received a gift of \$165,000 by the terms of the will of the late

A. Walden, for many years president of a bank there. Mr. Walden specified in his will that \$100,000 should be used for a waterworks system, a sewer system and an electric light service, that \$35,000 should be used to buy a public park and \$30,000 in the construction of an orphans' home.

THE STATEMENT MACHINE IN BANKS

Every bank man realizes that the pass-book is the bane of the bookkeeper's department. Depositors cannot be made to leave their books for balancing at regular intervals, which consequently clogs the check files, and eventually brings in a deluge of books on the first day of the month, particularly if it be a "quarter day."

The solution of the problem is the statement system that is coming into general use, and which does away entirely with the balancing of pass-books, giving the depositors instead, a statement of account on designated dates.

While a time and labor saver for every bank, both large and small, it is of special value to institutions handling several hundred accounts, or upward. Constituting a separate department by itself, and having no connection with the bookkeeping department, it adds greatly to the efficiency of the bookkeepers by allowing them to give their entire time to the entering of deposits and checks, and the work pertaining thereto, thus giving increased capacity in the number of accounts each man may handle.

The form of statement is simple, as will be seen by the illustration; simple to write up, and simple for the depositor to comprehend. But its value lies in the methodical manner in which it works out. With the old pass-book system, there is no certainty as to the number that will come in on a given day. There may be a dozen to-day and a hundred to-morrow. In that way, the clerical force is not working evenly. To-day some are working at low capacity on what may be a slight day in point of the incoming deposits and checks. To-morrow the hundred pass-books may come in on top of a big day's work. They always come in quantities on the first day of the month, when every man is working up to the full limit of his capacity on these things.

But under the "system," being in a department that has no other demands on it, the work is planned consistently; the main idea being to distribute the making of statements along through the month, having approximately the same number to do each day. To be sure, the first day of the month always brings more to do than any other day, but excepting large business concerns, most people do not care what day they receive their statements, so they generally may be assigned as the statement clerk desires. In instituting the system, however, in order to get the thing on a proper working basis, the depositors are consulted, and unless a preference is expressed each one is notified that he will receive his statement monthly, bi-monthly or quarterly on a certain day of the month.

Many accounts have so few transactions that it is not necessary to render a balance each month, a quarterly balance being sufficient. But the depositor forgets to bring in his book at the end of the quarter, so often-times it runs for a much longer period, which is all wrong, because, for reasons of safety alone, no account should be allowed to go more than three months without being written up.

And right here is where the "system" gets in its work. It does the depositor's thinking for him, at least so far as the date of his statement is concerned.

A filing cabinet is kept with the cards arranged chronologically, a space for each working day of the year. When a statement is made up, a new sheet is headed off, with the balance to the credit of the account at the top of the credit column, and the date when the next statement is to be rendered is stamped in the small space in the upper right-hand corner. At the close of the day, all of the newly headed off blanks are placed in the file under their respective dates, to-day's division card being taken out and placed in the back of the file, thus keeping the cards in rotation, so that when the next day's work is begun the blanks for that day are at the front, all headed off, and with the balance to start with already printed at the head of the credit column.

In using this system it is essential that the checks and deposit tickets be filed together; then when the time comes for drawing off a statement the necessary material is right there for use.

The sheet is placed in the machine, the balance shown at the top of the credit side is printed in, then the deposits are listed, the Burroughs Adding Machine, which prints in the dates, being used. The total of the credit side is then struck. The checks are then listed in their proper column and a sub-total printed. The carriage is moved over so that the total of the debits can be printed directly under the total credits and the subtraction made, the result being the balance to the credit of that account. This is also printed as a sub-total, after which the sheet is removed and a new one placed in the machine. The amount carried in the machine is then reprinted at the top of the credit side, showing the balance with which the statement will be started off next time. The date when that statement is to be rendered is derived from the dates at the top and bottom of the completed statements, which show the intervals at which the account is to be balanced.

The statement clerk then goes to the bookkeeper's ledger and compares the balance shown by the statement with that on the ledger, not asking the bookkeeper for the amount, but looking it up for himself, and this is one of the strong arguments for the system. It is an absolute check on the accuracy of the bookkeeper, as he has nothing whatever to do with the handling of the statement, does not know which account the statement clerk is comparing, and need never know at what intervals any of the accounts are to be balanced.

GROWTH OF POSTAL SAVINGS BANKS

Deposits in postal savings banks now aggregate \$28,000,000. On March 31st last, their total was \$16,200,000; at the end of 1911 it was \$15,000,000. The record shows a healthy growth and promise of continued expansion.

The first few of these banks were opened in January, 1911. There are now 290,000 depositors and the average deposit is \$86. In the stock and mutual savings banks of the country there were last June 10,010,304 depositors having an average deposit of \$444 each. From June, 1911, to June, 1912, the number of depositors in the stock and mutual savings banks increased by 215,657, and the average deposit increased to \$14.63. It is likely that the postal savings banks have not drawn depositors or deposits from the regular savings banks. They have probably stimulated the practice of saving and have made secure the sums formerly hidden away in old stockings or other odd corners.

In other words, the postal savings banks are doing what they were created to do. They are demonstrating that they were wisely planned and established.

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

By W. W. WALTON.

A very profitable and enjoyable evening was spent at Assembly Hall, Tuesday evening, November 12th. Horace W. Allyn of the Continental and Commercial National Bank, a graduate of the American Conservatory of Music, very ably rendered Chopin's "Ballade in A Flat" and Liszt's "Rhapsody No. 11," which was a musical treat seldom enjoyed by Chicago Chapter at its general meetings.

Foster S. Nims of the Western Bank Note Company, Chicago, addressed the Chapter on "The Elements of Success for a Young Business Man." Preliminary to the discussion of the subject, Mr. Nims gave a brief history of the engraving and lithographing industry, describing methods used as early as the fifteenth century up to the present time. It was during the seventeenth century that the English people took up this art. He also gave an idea as to the precautionary methods used during the process of the preparation and engraving of bonds, certificates of deposit, checks, etc.

Mr. Nims' lecture on the elements of success was very impressive and it goes without saying that all who had the pleasure of hearing this talk left the hall full of new ambition and enthusiasm. Mr. Nims was very practical in his remarks and urged the Chapter boys to spend much time in their home or room reading, not only good and inspiring books, but such books and literature as will be helpful to them in their line of business. He impressed upon them the necessity of their ever being on the alert to prove themselves not wanting when put to the real test. He also discourages those who are inclined to be suspicious of their co-worker, to become more ambitious and interested in their work, thereby dispelling their suspicions. Mr. Nims advises all young men to imitate the successful characteristics of a man who has made himself a success as by such imitation they will in the course of time unconsciously assimilate these qualities; he further says that all men are born with ambition, but many allow it to be killed by a desire for ease and contentment, and he values the estimate of worth only by the output of the brain.

Mr. Nims was very capable to handle the subject which he so wisely selected, having made for himself a successful career. He associated himself with the Western Bank Note Company eighteen years ago as an office boy and has grown with that firm in its progress and is now the city sales manager of that company.

H. C. Cobb, representing The Meilicke Calculator Company, concluded the program for the evening by giving a short talk on modern inventions and describing the Meilicke Calculating Machine, which automatically calculates time and interest.

The class in Commercial and Banking Law will hold its examination next Tuesday evening, November 19th, at Assembly Hall. It is desired that a full attendance be on hand.

Chicago Chapter will hold its first dance of the season at the drill hall, Masonic Temple, Friday evening, November 22, 1912. Frappe will be served. Music furnished by Spamer's Orchestra. All bankers, bank clerks and their friends are most cordially invited and a good time is assured all who will attend. Tickets may be obtained upon application of any of the Chapter members in the various banks.

VISITORS

F. E. Davis, cashier of the Citizens National at Tipton, Ind., visited Chicago Wednesday; Frank L. Conger, cashier of the First National of Galesburg, Ill., was a caller Tuesday; S. E. Walker, cashier of the Millikin National, Decatur, Ill., called on Chicago banking acquaintances on Thursday.

Springfield (Ill.) Correspondence

A comparison between the bank clearings in Springfield for the month of October, 1911, and the same month in 1912, shows a great increase in business transactions. The clearings were over a half million dollars greater last month than during October a year ago.

Totals given out from the clearing house placed the clearings last month at \$5,247,965.40. For October, 1911, they were \$4,558,166.65, a difference of \$689,798.85.

O. J. Downing

At a recent meeting of the directors of the City National, Dixon, the resignation of Dr. C. C. Hunt, vice president, was accepted. O. J. Downing was elected to fill the vacancy thus caused. Mr. Downing has been identified with the bank and Dixon enterprises for many years and his addition to the corps of officials will lend influence to the bank's already splendid local prestige.

Plot to Defraud Bank Discovered

Four Italian laborers are under arrest at the Woodstock county jail and a fifth one is being sought as perpetrators of a well-framed plot to defraud the Citizens State Bank of Crystal Lake. The arrests were caused by C. B. Wright, cashier of the bank, who declared that the profits to the gang did not net them \$1,000. Reports say the gang cleared up \$880.

The laborers worked at the Terra Cotta factory near Crystal Lake and all are said to have had savings accounts in the Crystal Lake bank. According to Mr. Wright, they gave their pass books to friends, who, through fake identification, he claims, drew out the savings. Then they themselves appeared at the bank, protested that someone had secured their books and withdrawn their savings without authorization and demanded to be reimbursed. The operations were intermittent over a period of time, it is said.

"Their game became so strong that they could not put it over," said Mr. Wright. "We have not got absolutely straightened out yet, so I cannot tell, and do not feel disposed to tell at this time, all the details and the exact profits of the gang. I do not think, however, that the bank will lose a cent. We have the goods on them."

Private Bank Incorporates

The Citizens Bank of Tamaroa, formerly a private banking institution, has incorporated as the Farmers State Bank, \$25,000 capital. The officers of the bank are: President, Albert H. Evans; vice-president, T. J. Rice.

Death of Illinois Bankers

J. P. Johnson, president of the Bank of Avon, died at his home in that city last week of pneumonia. He had been ill about two weeks, having contracted a severe cold which developed into pneumonia. He has been in bed for the past few days and since Sunday his condition has been serious.

Edward Alfred Culver, president of the Farmers State Bank at Greenfield, and president of the Greenfield board of education, died last week.

Kewanee Bankers in Pekin

It was erroneously stated in this department last week that a party of bankers from the Savings Bank of Kewanee were in Peoria and had made an inspection of the Farmers National. This should have been the Farmers National of Pekin from whose handsome new quarters and immense vault they came to get suggestions for their new building.

If the express companies have collected on many "prepaid" packages from you lately, you will be glad to hear about that \$25,000 robbery at Lake Charles, La.

PERFECT TRAIN FROM PERFECT TERMINAL

The officers and directors of the Chicago and Northwestern Railway Company had on exhibition, two days of this week, at the new terminal station in Chicago, its new North Western Limited train. The new train, a masterpiece, went into service Friday night at 6:45 for a run to Minneapolis. It will run in this service regularly hereafter. The equipment is a dream and represents the latest from the car builders viewpoint.

WOODHAVEN DIVIDEND

New York, Nov. 12th.—A rumor to the effect that the state banking department had recommended to the banks the safety of loaning funds equal to 50 per cent of the pass-book balances of the depositors of the failed Woodhaven Bank was denied by the department yesterday. While not denying that there was a sufficient margin of safety in loaning 50 per cent, with the pass-books as collateral, an official of the department said that it was contrary to the policy of the department to make any such recommendation.

It has been Superintendent Van Tuyl's policy ever since he took charge of the department to make payments to the depositors as soon as available funds were at hand. It was said at the office of the superintendent that this policy would be carried out in the instance of the Woodhaven Bank, and that the depositors might entertain hope of receiving about 45 per cent of their deposits at the expiration of sixty days. The department is forbidden by law to make payments until the expiration of sixty days after the closing of any bank.

ANNUAL BANQUET OF ASSOCIATION OF COMMERCE

The eighth annual banquet of the Chicago Association of Commerce will be held in the gold room of the Congress Hotel, Tuesday evening, November 19th. This banquet will be given in honor of the Chambers of Commerce of the United States of America. Representatives of the various chambers of commerce, boards of trade and business men's associations in all parts of the United States will be present.

BOND HOUSES CONSOLIDATE

The bond houses of Breed & Harrison of Cincinnati and Jos. T. Elliott & Sons of Indianapolis have consolidated. C. Edgar Elliott will be a member of the firm as well as George Forrey, former Indiana representative of Breed & Harrison. Mr. Forrey will have charge of the Indianapolis office and C. E. Elliott will come to this city as the Chicago representative. Their office will be located in the Borland Block, 105 South LaSalle St., the firm name now being Breed, Elliott & Co.

W. D. C. STREET LEAVES FOR FLORIDA

W. D. C. Street, manager of the Chicago Clearing House, left the city this week for Florida, where he will pass the winter. Mr. Street is going south for his health.

BANK FOR AVON, ILL.

W. H. Rose, H. F. Townsend, A. F. Little, et al, have been granted a permit for the organization of the Avon State Bank, which will be capitalized at \$25,000.

Banks all over the country are asking to have the time of the Aldrich-Vreeland bill extended from its expiration period in 1914. It is the only panic remedy on the pantry shelf.

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BUSINESS OPPORTUNITIES

If You Want to buy or sell the controlling interest, or stock carrying official position in a bank, we would like to hear from you at once. No publicity or annoyance. All dealings strictly confidential. We have a number of good banking propositions for sale. C. B. Enkema & Co., 236 Security Bank Bldg., Minneapolis, Minn. References: Any Bank or Commercial Agency here.

Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.
A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by
THE CHICAGO BANKER,
407 Monadnock Building, Chicago.

Champaign, Ill., Nov. 13th.—Bruce Sizer of Champaign, a member of the freshman football team at the University of Illinois, to-day was appointed to the Naval Academy at Annapolis by Congressman McKinley.

A charter has been issued to the City National Bank of Hobart, Okla., capital \$30,000, a conversion of the City State Bank of Hobart.

Department of New Business

NORTHWEST

East St. Louis, Ill.—The Drovers State Bank is organizing with \$200,000 capital. W. Smith, of the Greene County Bank, Springfield, Mo., and L. V. Hill, of Hillsboro, Ill., are interested.

Galena, Ill.—The First State & Savings Bank is organizing with \$50,000 capital. E. W. Montgomery, J. J. Gray, M. J. Berg, G. T. Millhouse, H. T. Priestly, F. H. Rickerman, S. H. Montgomery and Louis Homrick.

Ossian, Ind.—The Farmers State Bank has been organized with the following officers: Dr. E. W. Dyar, president; Leonard Springer, vice-president, and John Hanna, cashier.

Newpoint, Ind.—The First State Bank has been organized with \$25,000 capital. F. Baas and C. I. Barnard are interested.

Indianapolis, Ind.—Breed, Elliott and Harrison have incorporated to deal in securities.

Waldo, Wis.—The Waldo State Bank has been organized with \$10,000 capital. The incorporators are: W. A. Barber, Eugene McIntyre and Henry W. Timmer.

Whitewater, Wis.—The Commercial & Savings Bank has incorporated with \$50,000 capital. R. Fish, Jerome Baker and others are interested.

Currie, Minn.—The Farmers State Bank has been organized with \$20,000 capital. T. I. Pierre and H. Hanson are interested.

Vallejo, Cal.—A new bank is to be organized.

Wilmont, Minn.—The Farmers State Bank has been organized with \$20,000 capital. T. A. Fallgather is to be cashier.

Raymond, Minn.—The Farmers State Bank has incorporated with \$10,000 capital stock. W. Odell, Russell Spicer, E. M. Stafford, all of Willmar, Minn., are interested. Herbert Feig will be cashier.

Kirkman, Iowa.—The Kirkman Savings Bank has been organized with \$10,000 capital. H. P. Dowling, of Harlan, is president.

Allendorf, Iowa.—The Farmers Savings Bank has been incorporated with \$12,500 capital. Henry Russell of Allendorf, and Henry Herick of Pringhas are interested.

Ravanna, Mo.—The Citizens Bank has been organized by Thankful Satterfield, Joseph Deyoe, James Owens and Edward Weaver.

WEST

Brady, Mont.—The State Bank of Brady has been incorporated with \$20,000 capital stock, by E. E. Leech and W. L. Camp.

Lancaster, Cal.—The Farmers & Merchants Bank has been organized with \$25,000 capital. G. H. Fuller, T. K. Temple and Leo Harris are interested.

Denver, Colo.—The H. P. Ellis Mortgage & Trust Co. has filed articles of incorporation.

SOUTH

Devall Bluff, Ark.—The Peoples Bank has been organized here with R. H. Sanders, president; W. H. Bland, vice-president, and F. L. Magor, cashier.

Moscow, Texas.—The Moscow State Bank has obtained a charter. The incorporators are: D. L. Jones, J. W. Leggett, J. H. Parrish.

El Paso, Texas.—The First Savings Bank & Trust Co., has been organized with \$400,000 capital.

Lelia Lake, Texas.—The Alfalfa State Bank is reported. J. A. Gerner, G. T. Adams and G. A. Wimberly are interested.

Bronwood, Ga.—The Farmers Bank has been organized here with \$25,000 capital. The or-

ganizers are: S. W. Denton, J. C. Holland, E. C. Berry, R. L. Williams, D. B. Hill, H. R. Patton, J. A. Fleming, R. J. Glass, Geo. M. Gammage, A. P. Chapman and J. L. McLeod.

Summit, Ga.—The Bank of Summit is new. B. L. Rountree, C. A. Graybill, C. W. Davis, J. L. Overstreet and J. Leonard Rountree are interested.

McClellanville, S. C.—The bank of McClellanville has been organized with \$15,000 capital. R. M. Lofton, H. T. Morrison, W. H. Graham are interested.

EAST

Swedesboro, N. J.—The South Jersey Trust Company has been chartered. S. B. Gaskill, J. Clark, Helms Samuel, S. Guest, Oliver Gemshaw and George Mashton, of this place, are interested.

Newport, Va.—The Sinking Creek Valley Bank has obtained a charter. C. I. King is president; R. D. Hutchinson, vice-president, and M. P. Farrier secretary.

Richmond, Va.—A new trust company is to be established, with \$1,000,000 capital and \$1,000,000 surplus. It is stated that W. M. Habliston is to be president.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

of deep thinking, and then, with fingers crossed, proceed to pick out all republicans.

OF course the I.-O. favors the plan.

THE Prudential is issuing hold-up insurance, but as yet no company has been bold enough to issue a policy protecting depositors against the hole-in-the-wall bank and its confederates.

THE chief bull moosers had a "family" dinner in Chicago on Thursday night in an attempt to select a third party choice for U. S. senator from Illinois. The voting was by ballot and resulted in "no choice." Had any bull mooser received two votes he would have won on a plurality.

IT will be a long jump from that Princeton bicycle to the eight-car garage at Washington, with the Mayflower in the Potomac, just back of the house. Couldn't happen in any other country.

A CHICAGO daily, referring to Mr. Pierson of New York, makes this editorial comment:

"A bank president who resigns to accept \$80,000 a year as head of a grocery concern furnishes another reason for high prices of food."

THE after-dinner song at the moose banquet was "After the Bawl is Over."

WILSON is going to make the vice-president a member of his cabinet.

BRYAN thinks ex-presidents, ex-vice-presidents and ex-speakers (Ah, there, Uncle Joe!) should be members of congress with every privilege except voting.

CONJURES up a very interesting period when ex-presidents will give of their time, counsel and experience on all public questions, by addressing the house in session.

WHICH of the three parties in the Illinois legislature will succeed in offering the first supervision bill?

CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

4:47 A. M.; Great Bend, leave Nov. 13th, 9:05 P. M.; Harper, arrive Nov. 14th, 11:10 A. M.; Harper, leave Nov. 15th, 5:28 A. M.; Chanute, arrive Nov. 15th, 1:05 P. M.; Chanute, leave Nov. 16th, 1:40 A. M.; Kansas City, arrive Nov. 16th, 6:45 A. M.

THE same car will also visit the meetings of Groups 2, 1 and 6 at Lawrence, Kansas City and Beloit, on the corresponding days of the week following.

FROM Cedar Rapids comes the story that the Peoples Trust & Savings Bank, the bank with the "freak" building, has changed hands. The purchaser-in-chief is Matt. Niles, an ex-mayor of Cedar Rapids, and a leading real estate loan broker.

CONGRESSMAN J. W. GOOD, just re-elected, will be president. What becomes of John Burianek Jr., "the whole bank," is not stated. Quite a stir was created in Iowa banking circles.

LEO E. STEVENS, president of the Century Savings at Des Moines, was in Chicago this week acting for the Commercial Club of that city in an attempt to get rates for the state fair this year.

STEVENS has been making good in his bank and there has been a very profitable rise in the stock since he took hold.

ROLLIN P. GRANT is the new president of the Irving National in New York. He has been the active vice-president, and next to Mr. Pierson, one of the chief builders in organizing the present powerful institution.

THE Irving in ten or twelve years has come to the front at a rapid rate and now is rated one of the most influential and powerful banks in the metropolis.

IF you have two dollars that isn't working, send it to R. J. Finnegan, secretary of the Illinois Improvement Association, and become a member of the most active bunch of patriots in the state.

W. G. EDENS is the president of the association and lots of good hard work is being done. Automobile clubs, commercial clubs, the Illinois Bankers Association, and public men generally, have supported the movement. S. E. Bradt of DeKalb is an active vice-president.

THE object is to harmonize and correlate all efforts for the improvement of the public roads of Illinois, to the end that an adequate and efficient system of road construction, administration and maintenance will be adopted. It is estimated that unless there is a change in conditions in our state, at least \$55,000,000 of the taxpayers' money will be wasted in the next twenty years in misdirected road work.

BISCHOFF BANKING HOUSE, New York City, has asked for a private bank permit or certificate from the state banking department, as required by the New York state law. Capital \$250,000.

A New York banker in speaking of Banking Commissioner Doyle of Michigan, said:

"MICHIGAN was infested with a number of crooks who insisted on being allowed to keep places open which they called banks, but which were in reality used to get depositors' money to further private schemes. Doyle broke up the so-called banks and either put the schemers in the penitentiary or drove them out of the state."

THE Pioneer State Bank, which was recently incorporated in Chicago and will take over the private banking business of Andrew H. Greenberg, has secured quarters at 1016 West North Avenue and expects to open for business sometime before Dec. 1st.

A NUMBER of well-known Chicago bankers are co-operating with Greenberg in thus getting on the right side of public opinion in this city.

FROM Boston comes a gentle surprise in the resignation of Cashier F. H. Curtiss of the First National. No reason assigned, not even the conventional one of "giving his whole time to his other interests." Vice-president Downy C. Muir was made cashier.

STILL they talk about that big Hill bank in St. Paul. Some think that James J. was nettled that the bankers butted into his pet divertisement, assisting the farmer, and that he is just butting back.

AT least Hill should be on Mr. Huttig's program at the big Boston convention. He would fill even the gallery seats.

KIRBY SMITH is so proud of the new building of the Commercial National Bank of Shreveport, La., of which he is vice-president, that he is sending out a miniature facsimile of the building in metal art work.

JUDGE LANDIS is doing more for bank supervision in Illinois than any other one ever did. The lawyers had it all cooked up in the Kirby bank failure.

THEY got doctors to say Kirby was insane and had him in a sanitarium. A quiescent brother-in-law was made custodian and Mrs. Kirby drew all the money. Lovely situation.

THEN came Landis, and he has made the attorneys even admit that the six doctors were paid for their fake testimony with the depositors' money. So were the lawyers so paid.

WE wish Landis would open up the Mason failure, the McCarty failure, the International and a dozen others. More power to him.

PUJO was a big man this summer. So were the seven little governors who "prevailed" over the Colonel's scruples about being "your candidate." After the avalanche, where are they?

O HIO has accepted the income tax amendment to the constitution and but two more states are needed to make it effective.

E. ST. ELMO LEWIS has been appointed to represent Michigan in the national council of the National Economic League.

THE league aims to provide a means by which important national, political, civic and economic issues can be directly initiated by the best independent thought of the nation, and to secure widespread and continuous discussion of these issues by and before the people of the country.

WINNESHEIK County (Iowa) State Bank now pays 4 per cent on six months time certificates and has found it profitable. Good times in Iowa!

THIS bank also strengthened its capital by \$50,000, making it \$150,000, with surplus of \$50,000. All out of earnings.

WHY not be a philanthropist? Doesn't cost much. We can think of one who has a national reputation brought about by "giving" a million for better roads, a quarter of a million to each of a dozen schools and colleges and sums of from \$1,000 to \$10,000 to widows, orphans, and others in the public eye

at the time. The key to the situation is in the "conditions." Somebody else is to contribute eight or ten times as much and it doesn't happen that they do it. See the point? Cheap publicity.

MY, but we're getting hungry for that bull moose dinner (business of sending marked copy to B. F. H., care of the traction company, at Champaign) and if the moose is as well "done" as he was Nov. 5th, it ought to be a success.

YES, and at that Harris ran 16,000 ahead of his ticket in this county. You see we bet against him but voted for him. So did a lot of other people.

MYRON T. HERRICK sure got a short run for his money. He's on his way home.

THE Inter Ocean pledges itself with all the power at its command to fight those twin devils of anarchy—the recall of judges and the recall of judicial decisions."

IF, as the U. S. courts decided, "outdoor exercise is necessary for the well-being of federal prisoners," how about the state and national bank men who neglect this essential? Why not a hygienic department in the A. B. A.?

THOSE who may be looking for a fast train to get out of New Orleans and back to Chicago will be pleased to know that the Illinois Central has put on a twenty-four-hour schedule. Brings Sol. Wexler so much the closer, too.

THE real progressives, those who believe in the binding qualities of primaries, are beginning to say that the only "square deal" possible at Springfield this winter is to elect both Lewis, the democrat, and Sherman, the republican. Each carried his party primaries.

OUT in Seattle a man who robbed a newsboy's stand of the few pennies left there in his absense by customers, got "two months." Here's a tip to Judge Landis of what a robber of duped depositors ought to get.

E. E. CRABTREE of Jacksonville, an ex-president of the Illinois Bankers Association, was in Chicago this week. He reports an unusual demand for money in his district, by farmers.

THEY had an epidemic of hog cholera last year in that part of the state, and following that much of the winter wheat froze out, so it is up to the banker to finance and "carry" his friend the farmer until he sells his corn.

AFTER all, Judge Landis proved to be Chicago's real "white hope."

THE Tribune's Thursday morning cartoon really was a little too hard on the "big banks" which voted "against state supervision." Some of them had very different motives. All the "big banks" and most of the private banks will welcome an equitable supervisory act.

THE state needs a separate and distinct banking department nearly as much as she needs private bank inspection.

PRESIDENT WILLIAM LORIMER of the LaSalle Street Trust, after all is expected to get well without going under the surgeon's knife.

WE join the Inter-Ocean in its desire to "take the judges out of politics," but if the Chicago Bar Association is to pick the winners, who will take the association out of politics?

LIKE those rummy, dummy committees of one hundred, the lawyers go through the business (Continued on page 30)



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

BOARD OF DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President Inter-
national Harvester Company
SEYMOUR MORRIS, Trustee L. Z. Leiter
Estate
JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
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JOHN G. SHEDD, President Marshall
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New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New indestructible steel cars
of handsome interior finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City
Ticket Office 76 W. ADAMS ST. Commercial National
R. J. CARMICHAEL, D. P. A. Bank Building
Phone Central 6270



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JENNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Audit Company
of Illinois

2002-2003 Harris Trust Building

CHICAGO

Specialists in

Auditing and Systematizing
Public Service Corporations

C. W. KNISELY, C. P. A.

President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

NOVEMBER 23, 1912

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Investment Bank- ers Convention

The first annual convention of the Investment Bankers Association of America, held at the Waldorf-Astoria in New York on Thursday and Friday of this week, was very largely and enthusiastically attended. Frederick R. Fenton, secretary of the organization, together with his secretary, C. G. Schray, left Chicago Monday to assist in the final preparations for the convention. A temporary office of the secretary was established at the Waldorf-Astoria and remained open during the convention. Cards were issued which admitted the holder to meetings of the association. A meeting of the Board of Governors, including an informal dinner, was held from 5 to 9 p. m.

The convention proper was called to order by President Caldwell at ten o'clock Friday morning. Mr. Caldwell's annual address will be found elsewhere in this edition of THE CHICAGO BANKER.

Addresses were made by the following gentlemen: Warren S. Hayden, of Hayden, Miller & Co., Cleveland, Ohio, on "Blue-Sky Laws and Their Relation to the Investment Banker," and Robert R. Reed, of Caldwell, Masslich & Reed, New York City, on "Uniformity in Municipal Bond Legislation."

Routine matters largely occupied the business portion of the convention, consisting of the appointment of committees, amendments to the constitution and by-laws, and suggestions to the various committees as to the work they are to take up. At seven o'clock, a banquet was held at the Waldorf-Astoria, at which addresses were delivered by Frank Trumbull, chairman of the board of the Chesapeake & Ohio Railway and chairman of the board of the Missouri, Kansas & Texas Railway, and by Oswald Garrison Villard, whose subject was, "The Relation of the Press to the Investment Banker."

The committee on program consisted of the following gentlemen: L. B. Franklin, chairman; H. B. Clark, J. W. Burden, Allen G. Hoyt, Trowbridge Callaway, John F. Symington, F. W. Rollins and Homer W. McCoy.

About a hundred members of the association left Chicago Wednesday afternoon on a special train over the Lake Shore. Investment bankers who were in Chicago on their way to the convention were optimistic as to the future of the country and predicted that present prosperity will continue uninterrupted.

Report of the Secretary

Secretary Fenton reported the total membership of the organization as 277. Recommendation was made that in the various financial centers where there are a number of members, meetings be held at frequent intervals, wherein matters of direct interest to the members of the association can be discussed and recommendations made to the board of governors for action; also the inauguration of a membership campaign, keeping in mind the fact that character rather than numbers is the thing most desired.

(Continued on page 21)

TWO BANKERS IN LIMELIGHT



IRVING SHUMAN
SULLIVAN, ILL.



A. E. EDWARDS
PASADENA, CAL.

Mr. Shuman is cashier of the First National at Sullivan, Illinois, and is well and favorably known to bankers. His name has been mentioned quite frequently in connection with the comptrollership. He is one of the original Wilson men in Illinois.

A. E. Edwards is president of the California Bankers Association. His marked executive ability has been largely responsible for the place which his association occupies among bankers' organizations.

ELECTED MEMBER OF BOARD OF TRADE

Charles G. Fox, cashier of the LaSalle Street Trust and Savings Bank, has been elected a member of the Chicago Board of Trade and the bank has been made a depository for margins.

JAMES B. FORGAN IN NEW YORK

James B. Forgan, president of the First National Bank, is in New York attending a meeting of the trustees of the Equitable Life Insurance Company.

CANDIDATE FOR TREASURERSHIP

Joseph R. Noel, president of the Northwest State Bank, is a candidate for treasurer of the Chicago Association of Commerce on the regular ticket.

PRESIDENT PHILLIPS IN TOWN

John D. Phillips of Green Valley, Ill., president of the Illinois Bankers Association, spent a couple of days in Chicago this week on association business.

SUPERVISION BILL FOR ILLINOIS

Now that the Chicago Tribune has canvassed the members of the Illinois Bankers Association and finds them eight to one in favor of supervision and the Chicago Record-Herald has polled the members of the legislature and finds them unanimous, it ought to be an easy matter to pass a wise, temperate revision of the present banking act in accordance with modern ideas. Governor-elect Edward F. Dunne has put himself squarely upon record as favoring supervision and he goes a little farther and shows a leaning toward state guaranty. Nothing remains but to secure the consent of the executive council of the Illinois Bankers Association and everybody will be happy. The daily papers are becoming well informed on the subject and during the week published a valuable article from the pen of W. T. Abbott, vice-president of the Central Trust Company of this city. Ex-president B. F. Harris has been untiring in his efforts to keep the papers right technically. Many of the young men who have been writing about the subject were inclined to handle it as a police reporter might. Much useless stuff was

(Continued on page 21)

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

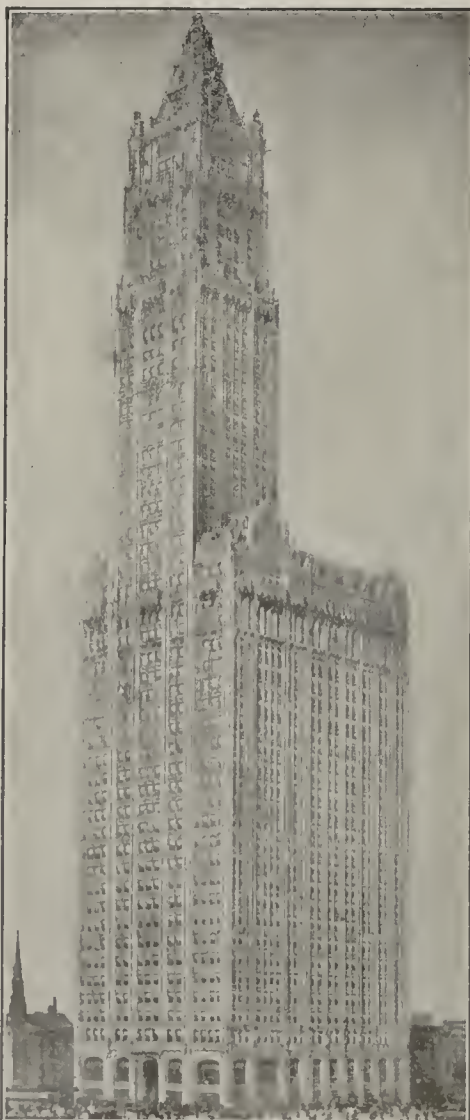
GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

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ROLLIN P. GRANT - - - President

JAMES E. NICHOLS - - - Vice-President
WILLIS G. NASH - - - Vice-President
BENJ. F. WERNER - - - Vice-President
CHARLES H. IMHOFF - - - Vice-President
EMIL KLEIN - - - Vice-President

HARRY E. WARD - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, Jr., - Assistant Cashier
J. FRANKLYN BOUKER - Assistant Cashier
SAMUEL REDFERN - - Assistant Cashier

Mainly About Banks and Bankers

ENGLISH investment buying of American stocks indicates "clearing weather" in the Balkan-Turko situation.

FIRST NATIONAL, Joliet, is offering \$20 for the best ear of corn in Will county, \$10 for the second best and \$5 for the third. All corn will be sold for benefit of the orphan's home. Fine scheme.

K. N. & K., New York: "There is likely to be an active competition for the world's floating supply of gold before the year ends. As things stand now it seems likely that the United States will be in a position to command a considerable amount of the metal should it become necessary to make an effective bid."

OBSERVATION as to what has happened in states where it has been tried leads one to hope that Illinois will not undertake to supervise private banks as such. Incorporation as banks is the real remedy.

"THEY have been investigating the tariff all my lifetime," said the president-elect when told that an effort would be made to investigate tariff schedules in advance of an extra session.

THERE is common sense in that remark. A man who does not understand the tariff question now, never can, or, at least, never will let himself be made, to understand it.

ELECTION of Samuel Rea as the ninth president of the Pennsylvania Railroad constitutes news of great financial significance. It means that the largest transportation system in the world again is to enter a period of new expansion, of aggressive development. Further, it signifies that the financial powers of the country firmly back the opinion that conditions are ripe for a new advance movement.

ANDREW J. GRAHAM actually took a week off and spent it down at French Lick. He and Mrs. Graham met and greatly enjoyed the acquaintance of D. W. Twohy and Mrs. Twohy of Spokane.

MR. TWOHY has been in Chicago recently on his way home. His eastern trip included a business visit to New York.

NO, Woodrow didn't guess at the special session of congress business. He polled the members of the house and senate by wire, just as the bankers of Illinois on supervision. The replies were three to one in favor.

SOME of the more impulsive of the newspapers were proceeding on the theory that the president-elect was trying to find a way out of calling a special session. There is nothing on which to base this theory. Mr. Wilson was entirely right in seeking to find out the opinion of other party leaders.

THE Tribune, having given us a safe and sane Fourth, is going to try to hand Illinois the same kind of a banking law.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

¶ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

SITUATION WANTED

Attorney, young, capable and experienced, now holding important position, would accept position with a bank requiring legal services exclusively. Address

DE-215, Care of Chicago Banker

A BULL moose paper is being sold at auction and Bill Flinn has lost his voice "allee samee" as T. R. Everybody sing "After the Bawl is Over."

EDITOR JOHN FIELDS, of the Oklahoma Farm Journal, is organizing the entire Southwest into a Concatenated Order of Kafircorn Woolies and is issuing gold and enamel badges to all new members. The Farm Journal aims to teach farming by a "safe system" and has given much time to the kafircorn subject.

INCIDENTALLY, Editor Fields will send his publication to legitimate farmers twice a month for five years for one dollar if remittances are made before December 31st. After that date subscribers will get the paper three years for one dollar. Accurate farming information applicable to southwest conditions can nowhere else be had at such a price.

ANDREW J. FRAME, dean of Wisconsin bankers, continues to pay close attention to the question of bank supervision in Illinois. Last week he paid a high compliment to Judge Landis. This week Colonel Frame writes to say: "I see the private bankers are getting a shaking up. Good ones ought to court investigation and bad ones should be given no

quarter. Illinois is one of but a very few states not under supervision."

MR. FRAME is taking a very deep interest in the question of a new constitution for the American Bankers Association. Under a resolution offered by him at Detroit, a very able committee is at work, the chairman being Robert E. James of Easton, Pennsylvania.

CHAIRMAN JAMES has written to all of the members of the council and to a number of ex-officials of the association, asking for suggestions to be incorporated in the new constitution. Some of the members of the council and perhaps a few ex-members will go so far as to furnish their ideas in the shape of a complete revision.

WHILE this will take considerable work on the part of those engaging in it, it will perhaps be the better way to lay before the committee the complete plans of those who have given the matter deep study.

ONE of the matters which seems to be uppermost in the minds of everybody at present is some plan of controlling section expenses and the expense accounts of members of council, members of committees and of headquarters attaches.

ONE of the present weaknesses that has been pointed out frequently in these columns is that Colonel Farnsworth does not have authority to veto what might appear to be improper expense accounts turned in nor to place any check or curtailment upon the expenditures made by the sections. A general proposal covering either the creation of an audit department outside of headquarters, or conferring the powers of an auditor upon the treasurer, is coming up all over the country.

SOMETHING like this, if brought about, will relieve Colonel Farnsworth of 99 per cent of the criticism which has been directed at him and for which he is no more responsible than the Sultan of Turkey. It is the acme of unfairness to criticise an able, intelligent, and industrious employee for something which is outside of his discretionary powers.

W. G. EDENS, a member of the Big Council from Illinois, is digging up data from his years of organization experiences, at the request of Chairman James, who is a valued friend.

FOR ten years THE CHICAGO BANKER by many was regarded as a radical supervisionist. In the light of what the dailies and Judge Landis are doing for the cause, we, like Bryan, become a mere conservative without any change of position whatever.

OTHER revelations are quite as illuminating. Quite a few of the private bankers challenged, or questioned, the accuracy of the figures reported by B. F. Harris, as showing how the bankers association members had responded to his poll. The figures so far received by the Tribune are even more favorable toward supervision than were the confidential replies.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank
CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. S. BISHOP, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
J. F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Charles H. Hulburt
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Frederick W. Crosby
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
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THE LIVE STOCK Exchange National BANK

WILL BE PLEASED TO WELCOME ITS
CUSTOMERS AND FRIENDS VISITING

The International Live Stock Exposition

NOV. 30 TO DEC. 7

AT ITS OFFICES IN THE EXCHANGE BUILDING
UNION STOCK YARDS, CHICAGO

A. Barton Hepburn Criticizes System of Money

There are three cardinal defects in our monetary system, not to mention others, from which other great commercial nations are reasonably immune:

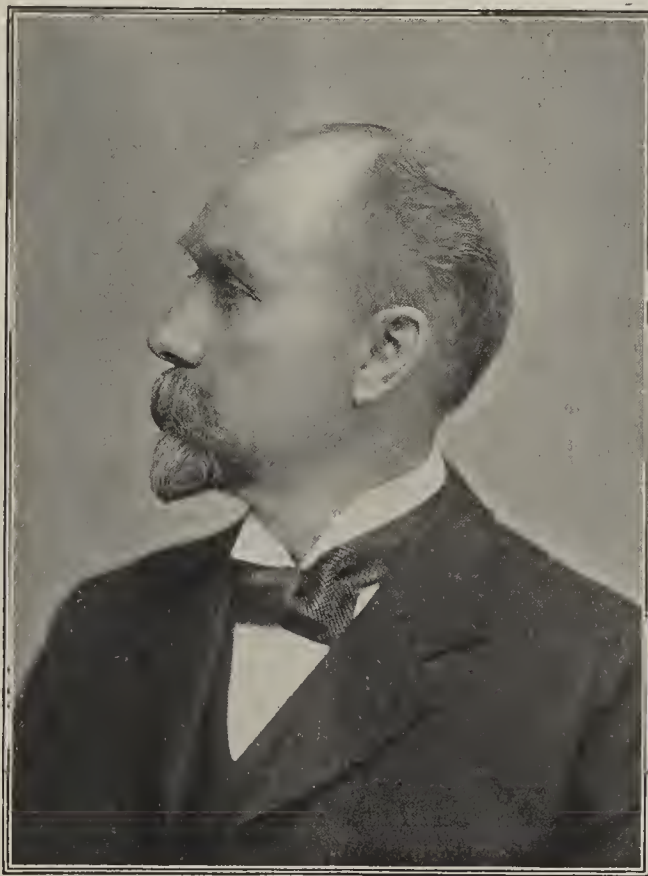
First—The reserve power of the banks; the cash they hold—and which is a margin of safety in dealing with the public, and which supplements the use of checks and drafts, which may be characterized as auxiliary currency—should be under centralized control, an altruistic control dominated by the government, in order that the same may be used when and where needed for the common good, in whatever section of the country conditions may call for its use. Under present law, each of our 26,000 banks holds its own cash reserve, and whenever troublesome times come or threaten, all banks naturally seek to strengthen themselves by increasing their cash holdings—they enter into active competition for this purpose, and in so doing refuse loans and withhold currency. Past experience has taught them that if they part with their cash there is no source from which they can with certainty obtain more. The situation is thereby aggravated and threatened trouble may be made actual trouble, all because of the natural working of the law.

Second—The volume of metallic money comes through the mint and partially disappears by abrasion, loss and through the melting pots of the jewelers. As to any particular country, the volume may be increased or diminished by export or import. While the volume of coin money varies, it is in no sense responsive to the varying needs of business. A properly regulated bank currency is the only currency which the experience of the world has devised that will come into being when wanted and retire when there is no longer need for its use. Under our law, banks must buy bonds, which command a premium, as security for circulation, and must pay more for the same than the amount of currency they are permitted to issue thereupon. By taking out circulation, a bank locks up money in a bond investment, and it thereby lessens its ability to supply the needs of its customers.

Commercial banks are designed to serve and supply credit to commerce and trade, both large and small. The notes and loans which they hold represent the hopes of prosperity of the millions of people throughout the land who have sought credit with the banks in order to supplement their own resources and realize the greater gain. Such credits represent both brain and brawn—the farmer, the laborer, the merchant, the manufacturer—and are the best credit, the best asset that any nation can produce; their character corresponds to the standard of commercial honor which obtains in the community. Millions of people are striving to meet and pay these obli-

Well known New York financier points out defects in monetary system. Advocates remedial legislation

gations at maturity, in order to protect their credit and save their financial lives. They are the best and most liquid assets that banks can hold, in peace or panic, and this is proved over and over by the experience of all commercial nations.



A. BARTON HEPBURN
New York

The volume of such notes or credits in banks expands or contracts with the varying activity of trade, and bank notes should be predicated upon such assets—the best of assets—and expand when business activity and the public welfare call for their use; on the other hand, contract and disappear when their service is no longer required. When a bank possesses ample capital and surplus, is replete with commercial assets representing the best names and best credit—just such assets as the bank was created to handle—and yet cannot obtain currency to satisfy the demands of its customers, except by buying gold abroad at a premium and importing the same, the trouble is not with the bank,

but with the law. That was the general condition which existed in 1907, and the responsibility for that condition and consequent losses rests upon congress and the public indifference which fails to inspire action by congress. What other nations have proven as to currency based upon commercial assets we should incorporate into our law.

Third—There should be a market for commercial paper available to all banks. Interior banks may rediscount their notes with correspondents in metropolitan centers, but banks in our larger cities have little recourse except in foreign countries. There should be a central institution, under government control, where short-time commercial paper or loans that are good beyond peradventure can be discounted and the proceeds, if need be, received in bank note currency. Such a resource does not exist now. It would afford business necessary relief and avoid a money stringency with its resulting loss to all classes, capitalistic and manualistic alike.

Congress having neglected to provide such a currency, the clearing houses of the country have sought to meet and have succeeded in meeting crises successfully, by combining their credit and responsibility in the form of clearing-house certificates. In New York and some other large cities clearing house certificates are issued in denominations of \$5,000 and multiples thereof. Such certificates are good only in the hands of member banks, and are usable only in the settlement of debit balances at the clearing house. In other cases clearing-house certificates have been issued in the form and size of current bank bills, in amounts ranging from \$1 upward, and in rare instances for fractional parts of a dollar. They were designed to, and did, circulate from hand to hand as money.

The first described certificates were not subject to a tax, but the latter were clearly subject to the 10 per cent tax imposed by congress, which was designed to tax state bank circulation out of existence, and incidentally induce state banks to come into the national system. The emergency, however, which called such certificates into use, was so great that the government, with full knowledge and record evidence available, has in no instance made any attempt to enforce the 10 per cent tax. The useful purpose served by such certificates and the good accomplished were proclaimed by all.

These certificates so used are simply a form of asset currency. For the best of reasons the government neglected to enforce the penalties provided by law, although the violation of law was flagrant, and yet, strangest of all, with this object lesson borne in upon them with almost crushing emphasis the government neglects to provide for a currency, within the law, similar in character, but superior in efficacy.

The need of a proper and flexible currency

Total
Resources
\$16,000,000

CITIZENS NATIONAL BANK
OF BALTIMORE

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00

was well illustrated by the experience of the country in 1893. The great protection which such a currency would afford to the country generally and to every individual, by the protection of values, whether it be wage, salary, bonds or factory, was vividly brought to the attention of all, by the very general resort to currency substitutes which obtained.

In 1893 the silver propaganda, in favor of the free coinage of silver at the ratio of 16 to 1, raised the fear that the country might go on a silver basis and the standard of values be all upset accordingly; this fear gave undue consequence to the Baring failure and had the effect of preventing an early restoration of confidence. The hoarding of gold, in anticipation of a possible premium, should the country go on a silver basis, was an incident of the situation and directly affected the money supply.

The resulting stringency induced the issuing of clearing-house certificates very generally in the smaller as well as the larger cities of the country, and also the issuing of certificates of deposit and cashier's checks by the bankers in amounts of \$1, 5 and \$10, designed to pass into general circulation as money. The money stringency was thus relieved, the panic overcome, and all such currency retired within a short period.

The experience of Columbia, S. C., was very illuminating in respect to this subject. The bankers there were unable to obtain currency from their metropolitan correspondents, and therefore issued clearing house certificates which were used in paying the farmers, moving their crops and the transaction of business generally in that community. One of the leading bankers prepared statistics, showing the amount of currency which had been brought into Columbia by express the previous year to supply the crop-moving requirements of the fall. The express charges for bringing in and subsequently returning this money were very considerable; the interest paid upon the loans made with their city correspondents, in order to realize credits, both for checking purposes and for currency purposes, was very considerable. All this was saved by the use of clearing house certificates, which were issued against the joint credit of the banks of the town, and served every purpose, not as well, of course, but nevertheless served every purpose of the community in harvesting and marketing their crops; they also saved the bankers of the city a considerable sum of money.

This illustrates forcefully one of the very great advantages to be derived from a law which would allow banks locally to utilize their own credit for currency purposes and shows to what an extent the different sections of the country would be made independent of the money centers like St. Louis, Chicago, New York and other cities. The panic of 1893, and their inability to obtain currency in New York and other cities, forced the issuance of clearing-house certificates by Columbia and contributed to the financial well-being of the community which Columbia served, by saving them the usual tribute in the form of express charges and interest, which they normally paid to other localities.

Other sections of the country had a similar

experience. Surely it is reasonable and right to ask congress for legislation which shall, in the light of experience, give us a banking and currency system which shall serve the needs of business and conserve the material interests of the community.

EFFICIENT SERVICE OF HARVEY G. RIGGS

Harvey G. Riggs, vice-president and cashier of the Mercantile Trust and Savings, Quincy, Ill., who has done so much to stimulate interest in the matter of road improvement in Adams county, has just completed a year's service as president of the Quincy Chamber of Commerce, and his annual report was presented to the members at their yearly meeting on the evening of November 13th. W. E. Lancaster, second vice-president, made a graceful and forceful speech in which he lauded the loyal and disinterested work of President Riggs during the past year. The report made by Mr. Riggs was a most comprehensive one and covered the work of the Quincy Chamber of Commerce which has been so active in advancing the commercial and manufacturing interests of this important city.

GOOD ROADS MEETING

The American Automobile Association will hold a good roads convention in the Auditorium Hotel, Chicago, December 2d and 3d. The association has forty-four state bodies and 450 local clubs. The efforts of this organization during the past year has given the good roads movement a country-wide impetus.

Geographical Distribution

In purchasing railroad bonds the question of the territory served is of the utmost importance, for upon this depends the character of the traffic received and hence the revenue of the company. Diversity of traffic underlies a diversified investment. The larger the territory, the more diversified the traffic, and therefore the more stable the earning power.

We offer three railroad bonds, each well secured and in combination making a well-rounded investment, at prices to yield an average income of over 5¼%. The traffic of these roads is derived from three widely separated sections of the country.

Ask for Circular RB-924

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000

URGES ADOPTION OF POMERENE BILL

Thomas B. Paton, general counsel for the American Bankers Association, is out with a leaflet explaining the present situation in congress with reference to bills of lading legislation, requesting members of the association to do all they can to bring influence to bear upon members of the house of representatives and especially of the committee on interstate and foreign commerce, for the early consideration and passage of Senate Bill 957, known as the Pomerene Bill, which is the measure now being advocated by the A. B. A. Every Illinois banker, and especially Chicago bankers, should write the Illinois member of the house committee, Adolph J. Sabath, as well as their respective members of congress.

W. R. DAWES RETURNS TO CITY

W. R. Dawes, vice-president and cashier of the Central Trust Company of Illinois, has returned from a business trip to South Dakota.

TEXAS BANKERS ASSOCIATION ACQUIRES NEW QUARTERS

Hereafter the executive offices of the Texas Bankers Association will be located in Galveston instead of Austin. The new quarters will be in the City National Bank Building. Secretary J. W. Hoopes is vice-president and cashier of the City National Bank. It is said that the change was made in order that his work on behalf of the association could be facilitated and made more effective by having the offices more accessible than they were at Austin.

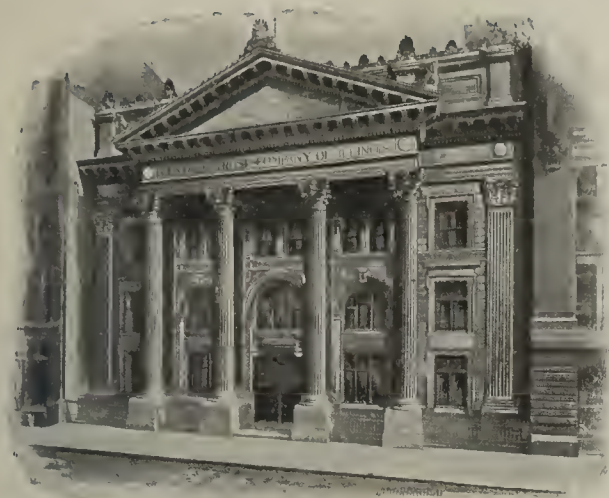
DISCUSS AGRICULTURAL CREDITS

At the thirty-second annual convention of the National Farmers Congress, held recently at New Orleans, consideration was given the subject of agricultural credits. Harvie Jordan, founder of the Southern Cotton Growers Association, urged the establishment of a credit system for American farmers. He said the rate of interest paid by farmers is about twice that paid by industrial corporations, despite the circumstance that securities offered by soil workers are equally good or better than those offered by corporations.

Willet M. Hays, assistant secretary of the Department of Agriculture, argued for education of the farmer and betterment of conditions in agricultural communities as the best method of improving the race.

Albany—Attorney General Carmody has advised the state banking department that banks situated in another state may not make loans upon real estate located in this state unless foreign bank is licensed by New York state superintendent of banks. To do business here such banks must be licensed.

Groveland, Fla.—The Bank of Groveland has been organized with \$15,000 capital. E. E. Edge is president.



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

George Woodruff Before the Minnesota Agricultural Congress

Much has recently been said in America concerning the subject of agricultural credit in foreign countries and the possible adaptation in this country of some of the European forms of farm finance, and our bankers and others who have investigated this subject abroad have submitted interesting reports a general summary of which may be made under four heads: First, agricultural credit institutions in Europe consist of privately owned and co-operatively owned personal credit banks and privately owned and co-operatively owned mortgage banks, the personal credit banks making loans to farmers for short periods of time and the mortgage banks making loans to farmers for long periods of time; second, interest rates to European farmers are not actually as low as has been claimed, but generally range from $4\frac{1}{4}\%$ to 6% except where special conditions, as for instance a government subsidy, operate to make the rates slightly less; third, from a general standpoint our present 24,000 independent community owned national and state credit banks would fulfill all of our requirements for short time credit providing we would create a national reserve association of some kind; and fourth, our present haphazard, wasteful and unsatisfactory method of handling mortgages or long time credit should be done away with and some system of mortgage banks substituted therefor.

Accordingly, out of these investigations has grown a quite general conviction that in the field of agricultural credit in America the paramount need is not for a new system of credit banks, but for a modern system of mortgage banks.

So far, there have been suggested three plans for American mortgage bank organization: First, a haphazard development of independent mortgage banks to be organized under our existing laws and to grow up at random in various parts of our country, the controlling interests in the stronger and more successful of which are to be eventually taken over by a large and powerful parent concern located in one of our large cities; second, a co-operative system of rural land credit associations to be organized under new state laws and to be based upon the principles of the American Loan & Homestead Association and the German Landschaft or-

Joliet banker tells delegates to the Conservation and Agricultural Development Congress about mortgage banks for farmers. Presents the results of his European investigation

ganization; and third, a great de-centralized system of national mortgage banks to be organized under a national mortgage bank act and to be based upon the general principles of our present national credit banks.

Regardless of which form of organization may eventually be adopted in this country, the general plan for successful mortgage bank operation will be the same, and it is to this general plan that we should first give careful thought and study before finally determining upon which form of organization we are to adopt.

A mortgage bank, whether national or state, privately owned or co-operatively owned, should be subject to the supervision and examination of either state or national authorities, should be or-

ganized with ample capital or responsibility, should loan money exclusively upon real estate, and in order to secure the money to loan, should issue and sell its bonds, secured by mortgages as collateral.

The success of the bank will depend largely upon the two things that have contributed most to the success of foreign mortgage banks: First, amortization provisions in the mortgages; and second, restrictions around the bonds.

In America, such loans as are made on farm lands should be made for not to exceed 50% of the value of the land and preferably for a period of thirty years, each loan to be paid back to the bank in small semi-annual payments, and this system of small payments constitutes what is known as the amortization plan of operation. As under this plan the loan will never have to be renewed but will continue to run until the semi-annual payments have cleared the farm of debt, the farmer will never be compelled to pay the frequent commissions, expenses of bringing down abstracts, and legal charges which he is now compelled to pay every few years when the loan is renewed, and more important still, he will be largely relieved of any anxiety lest he fail to meet the mortgage when due and lose the farm, for under this plan of amortization loans, it will be practically impossible for an honest farmer to lose his farm.

In many parts of our country, the interest alone on farm mortgages amounts to at least 8% per annum, but a mortgage bank located in such a section could easily afford to loan money on farms for thirty years, requiring an annual payment or annuity of but 8%, which would cover not only the interest but also the payment of the principal and the expenses and profits of the bank. The payments made each year would always be the same in amount and would equal 8% on the principal of the loan; viz., 6% for interest, 1.227% for amortization or payments on the principal, .773% for expenses and profits—total 8%.

It will be observed that at the end of thirty years, the farmer would be entirely out of debt without ever having been called upon to pay in any one year an amount larger than 8% on the

(Continued on page 28)

J. HERBERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

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Members:

NEW YORK STOCK EXCHANGE

CHICAGO BOARD OF TRADE

CHICAGO STOCK EXCHANGE

THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA. 427 CHESTNUT STREET

Capital	- - -	\$2,000,000.00
Surplus and Profits		1,475,000.00
Deposits	- - -	15,397,000.00
ORGANIZED JANUARY 17, 1807		
Dividends Paid	- - -	\$13,337,000.00

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Howard W. Lewis, President
Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital	- - -	\$ 1,500,000
Surplus and Profits (earned)		2,270,000
Deposits, over	- - -	25,500,000

OFFICERS

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HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY S. HENSCHEN, Cashier SAMUEL E. KNECHT, Secretary
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YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



George B. Caldwell at Investment Bankers Convention

As an association, we shall not hazard prophecies as to the course of the investment market, nor unduly emphasize any particular securities, but realizing that the number of investors in high-grade bonds and mortgages increases in direct proportion to the dissemination of investment knowledge, I believe now, as I said to you on August 8th, "That through an association of this kind we can expect to receive and extend to one another some support and deal with investment banking and business problems from a scientific standpoint." Let us, therefore, endeavor to set forth in this meeting and in those that may follow, salient and pertinent facts bearing upon the development of municipalities, the railroads and public utilities of our country, the governmental safeguards surrounding invested capital, and other matters of interest for the public good.

The Membership Question

To date our membership committee has not recognized applications for membership from those who are wholly dealers in commercial paper, brokers, or those engaged exclusively in the handling of mortgages, even though they possess the requisite capital and other qualifications required by our temporary constitution. In the "Call of July 18, 1912," the invitation was extended to "bond houses and banks with bond departments." On September 20, 1912, the membership committee presented to your board of governors some applications which raised the question as to the qualifications of the term "investment banker" for admission to this association, and pending the adoption of a permanent constitution and by-laws which are to be presented

President of association makes recommendations as to work to be undertaken during the coming year, and outlines purposes of the organization

at this meeting, they decided the following definition should govern:

"Any national or state bank, trust company, private bank, banking firm or corporation in good standing, having a paid-in capital of fifty thousand dollars or more, and which makes a practice of buying bonds or investment stocks and publicly offers the same as dealers therein, shall be eligible to membership in this association."

It is now quite apparent that if the membership shall continue to be restricted to actual dealers in bonds, the growth of the association, as well as the funds for carrying on its work, will be correspondingly restricted. If by a conservative extending of its membership it can acquire the added strength of the various types of all high-grade investment bankers, there is no good reason that I can see why the same should not be done, especially if any organization of investment brokers is to be-

come national in character. In this connection, it should be borne in mind that only a small percentage of our membership is now connected with organized banks, so that this association brings together for the first time a new class of bankers engaged in creating, buying and selling a specialized form of credit. As our responsibilities are yet very large, and bound to increase, and as we can already see more to do than can be wisely undertaken, considering our age and means at hand, it might be well to move slowly on this question of a broadening of our membership—a matter we can decide at some future meeting, if it seems desirable, with perhaps one exception, and that is, that we should include Canadian investment bankers as eligible to membership in any association truly American.

The Ethics of Trading

I know that the ethics of trading among bond and stock houses are highly developed—more so than among any other class of merchants. There is, however, a chance for improvement in this respect and it seems to me that as an association, we should try to encourage this. I want to see the day when confidences between our members will not be abused, but increased, and selling agreements more generally respected.

A recent writer on the "Modern Business Conscience" has said, "But whatever be the burden which modern society lays on the peddler, there are multiplying signs that the banker has ceased to be reputable, who, satisfied with the creed, 'Caveat Emptor' (Let the buyer beware), washes his hands of his customers after he has unloaded his wares. The modern demand of society is for the trans-

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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formation of the dealer in financial securities from the mere maker of a market for something he wishes to part with into a trustee for the protection of the purchaser."

If the dealers of the East want the assistance of the West, and likewise the money of the West, or vice versa, or in other words, if our domestic market is to be broadened, it must be done by the co-operation of those houses, East and West, North and South, that bring out and make the first distribution of any large issues. Houses should unite to sustain the market, as well as to make offerings. The public are now willing to become buyers of our bonds because they have confidence in the security and in the representations that are made to them. As year by year millions of new bonds are sold, the offering houses should at least see to it that the market is sustained at a price governed only by the price of money and a fair profit to the dealer. The practice of distributing houses, after having offered bonds, declining to trade in them at any reasonable price, destroys confidence and drives money that should continually be at our command into other channels. We meet this condition in part by listing upon some exchange a few issues, but a bond offered on the exchange without a buyer or a friend always makes a bad showing—even worse than an unlisted bond, because of the greater publicity given it. If the business of buying and selling bonds is profitable and worth while, why should we not deal in them as frequently as they come upon the market? And why should the investor buy of us a second time if he finds we will not trade in what we have sold him? As one of the problems of this association is how to inspire public con-

fidence and a broader market, I hope we may educate the public to know that fair trading, as well as the greatest protection from sharp practice which they can have, will come through their dealing with members of this association.

The Protection of Publicity

There is another phase of bond trading that is worthy of our consideration at the present time. In the past the investment banker has stood practically alone; that is, as an individual, in so far as any protection was concerned. The press has been his real safeguard, consistently parading the virtues and condemning the illegitimate enterprises before the public. If we are to be helpful in guarding the rights of the honest investment banker, we must extend a helping hand in this direction. There are today financial magazines of great accuracy and some newspapers publishing financial news only, but these magazines and newspapers are not the ones of popular circulation. It is the first work of our committee on publicity to co-operate with our best publications, for with increasing wealth the bond business will grow and be accompanied by the increased number of parasites, who seek to turn the small investors into the path of wrong, or speculative investments, thus stifling legitimate enterprise. Such a case is in point here in New York in the promotion of a certain realty company and more recently in Rochester and Chicago with a certain redemption company. The first company, it is said, has sold a million of its bonds, or near bonds, to some twelve hundred investors, and all the receivers have been able to find is about seventy-five thousand dollars' worth of property. The manner in which this

company ballooned its assets is a liberal education to those who would know how a realty concern, pretending to sell investment securities, gambles in undeveloped suburban real estate. The second company worked a fraud by agreeing to make a market for stocks and bonds issues guaranteed by them for which they charged a fee in advance and found an excuse for doing nothing. Such companies should be brought under the supervision of the banking department of each state in which they are organized.

This leads me to suggest that one of the opportunities for good work by our members is to furnish the secretary's office, and through him to the proper committee, with a list of any securities that are counted as bad, or that have come to grief, as quickly as it is discovered. The secretary's office of this association should be regarded as a library, as well as a clearing house for the ideas and suggestions of its members. Definite phases of our work have, it is true, been assigned to committees, but this does not lessen the obligation of each member, nor does it help us in building up a library of value, unless all defalcations and receiverships, as well as all speculative promotions, are promptly reported. The secretary is having blanks prepared for such reports and these will be sent to each member, and I commend them to your use.

Legal Department

I recommend that we create the office of general council, who shall be chosen each year by the board of governors: that to this department all legal questions shall be submitted by the officers and various committees.

(Continued on page 28)



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The people of Illinois were interested in learning of the offer of \$1,000,000 which the International Harvester Company has made to aid in lifting the standard of the agriculture of the United States, not only because of the added benefit which the state itself may gain, but also because Professor Perry G. Holden, formerly of the agricultural college of the University of Illinois, is to take charge of the work. Illinois gave to Iowa one of the best agricultural experts of the country and now the International Harvester Company plans "to give him to the entire nation." As a step in the right direction and as another hopeful sign of the coming of a greater agricultural production for America the new work will be watched with interest.

Fine Weather for Crop Handling

The past ten days or two weeks have been just right for the farmers of the state to "husk" corn, as they say in Illinois, and the corn has been gathered by the hundreds of thousands of bushels. Corn money has already been going through the banks and within a few weeks more there will be a much larger amount of money changing hands. The warm weather of the past two weeks has not been the best for certain lines of merchandise dealing in winter supplies but the coming of colder days will cause a large amount of buying held in check by the "Indian Summer."

Eastern Syndicate Buys Coal Lands

An eastern syndicate has closed a deal for over 30,000 acres of coal lands in northern Macoupin county, a few miles south of Springfield, near the towns of Virdin, Girard and Nilwood. Charles E. Wyatt of Springfield, representing New York capitalists, made the deal. The coal under the land is said to be from six to eight feet in depth and lies about 350 feet below the surface. Mr. Wyatt has also a two years' option on about 280,000 acres of Illinois coal lands lying in various counties, such as Macoupin, Montgomery, Saline and Jefferson. Six mines are now in operation in the 30,000 acre tract and four new shafts will be sunk in the 280,000 acre tracts. These mines will be among the best constructed in the country, being lined with concrete reinforced with steel wires. The new electric haulage system will be used throughout. A capacity of from 5,000

to 7,000 tons every eight hours is expected and the new deal is one of the most important ever made in this state.

Heath Visits Alma Mater

W. A. Heath, president of the Live Stock Exchange National of Chicago and president of the Bankers Club of that city, attended the Home-Coming of the alumni and former students of the University of Illinois last Saturday, held in connection with the annual football game between the University of Chicago and the University of Illinois. Mr. Heath is an Illinois alumnus and was for many years with the Champaign National Bank, leaving that institution as cashier to become a state bank examiner, later becoming vice-president of the Hibernian Banking Association of Chicago and now president of the Live Stock Exchange National.

Mr. Heath responded to a toast at the banquet of the Sigma Chi fraternity. H. W. Mahan, president of the South Side State Bank of Chicago, was invited to give a toast at the banquet of the Delta Tau Delta fraternity and although in Urbana Friday on business found it necessary to return to Chicago before the festivities.

Other bankers present at the Home-Coming were Robert R. Ward, vice-president of the Benton State Bank of Benton and active in the work of the Illinois Bankers Association, and Riley Smith of the Farmers Trust Company of Indianapolis.

Illinois Railroad Sold

The Chicago, Peoria and St. Louis railroad

was sold Monday to an organization composed of the second mortgage bondholders of the road by W. A. Allen, master in chancery of the United States district court, at a public auction held in Springfield. The sale was the result of a suit brought by the Equitable Trust Company of New York against the Chicago, Peoria and St. Louis railroad and others. W. W. Stevenson, a New York attorney, who represented the second mortgage stockholders, deposited with the master in chancery \$750,000 of consolidated mortgage five per cent bonds of the road. This was in accordance with an order of Judge Humphrey of the federal court that \$350,000 in money or \$750,000 in bonds must be deposited as a guarantee of sale. There was considerable talk about the Rock Island lines acquiring the road but nothing came of the rumor.

The new southern extension of the North Western from Peoria is being rapidly pushed to completion. A new bridge over the Illinois River is being built at Pekin and as the road taps a very rich farming territory the condemnation costs have been very great. The cost of the new road is very high. It is thought that the North Western will shortly seek a St. Louis entrance. The Minneapolis and St. Louis railroad, which recently acquired the Iowa Central into Peoria from the west, reports increasing business and the railroads all

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over the state are doing a large and increasing business.

Prosperity in Decatur

Good times throughout the state are reflected in the scarcity of common labor. The building of the new \$2,000,000 Wabash shops in Decatur was delayed by this reason and tramps were even employed. It is said that "there is plenty of good work for any able bodied man in Decatur" and that "any man who is willing to work and who does not want to sit in the presidential chair as his first job can get work at the Wabash shops." The Decatur Brick Manufacturing Company's new plant, to cost \$80,000, is a new industry for busy Decatur. The new structure of the National Bank of Decatur occupies a part of the attention of Decatur boosters while the beautiful quarters of the Millikin and of the Citizens Nationals are also favorites.

Miller Addresses University Students

Herbert F. Miller, one of the officers of the Chicago Association of Commerce, addressed the business students of the University of Illinois, Friday afternoon, November 22d, on the general topic of the duties and responsibilities of chambers of commerce and of business men's associations. The lecture was delivered under the auspices of the Commercial Club of the University of Illinois.

Wealth of the State

An idea of the wealth of the citizens of Illinois can be gained from the 1912 assessment made by the local assessors of the state which places the property values at \$2,122,104,048, an increase of \$17,942,501 over the valuation of 1911. Cook county, including the city of Chicago and suburban towns, leads with a valuation of \$930,472,142. McLean county, including Bloomington, comes second; Sangamon county with Springfield third and Peoria county fourth. These figures do not include the railways and the capital stock of corporations. These figures were given out at Springfield by the state board of equalization.

McKinley to Expand in Colorado?

The Rocky Mountain News of Denver is authority for the belief that William B. McKinley, president of the Illinois Traction System and representative for the past eight years in congress from the nineteenth Illinois district, is interested in Colorado utilities, as he and his

confidential associate, H. B. Chubbuck of Peoria, were in Colorado Springs "looking over" the Colorado Springs and Interurban Railway. The property is valued at three millions of dollars and it is not known if a deal of any sort has as yet been made. The News credits Mr. McKinley with being "one of the largest traction magnates in the world." Since the election Mr. McKinley has been resting in Colorado but will soon go to Montreal, Canada, where he will confer with various capitalists who are interested in the Illinois Traction System. Mr. McKinley already has large interests in various Kansas cities.

Vocational High School at Joliet

Illinois bankers who are interested in the work of their state association in vocational education will be glad to learn of the work which is being done in the high school of Joliet. The high school in that city is proud of the work which they are doing and while they are hoping to extend their work in vocational training yet they are now offering courses in mechanical drawing, stenography and typewriting, bookkeeping, manual training and domestic training, surveying, chemistry, physics and commercial English. Many of the boys and girls who have only a high school education secure good positions in the industries of Joliet because of their vocational training secured in the local high school.

Illinois Notes

An article recently published in the Christian Science Monitor "writing up" Champaign, Urbana and the University of Illinois, included, among others, a view of the exterior of the elegant First National Bank building of Champaign. This is the Harris bank.

The Central Illinois Public Service Company has acquired ownership of the Marion Light, Water and Power Company of Marion, the deal aggregating about \$150,000, according to an announcement of the Commonwealth Edison Electric Company of Chicago. It is announced that the Central Illinois Company will purchase the plants at Carbondale, Anna, Herrin, Harrisburg, Johnston City, and other southern Illinois towns.

Bankers who have visited Peoria at the time of the Illinois Bankers conventions and at other times will be interested in knowing that the Illinois Traction System (the McKinley lines) will soon begin the erection of a new eight story station and office building in that city, to cost about \$250,000. As a railway, commercial and banking center Peoria occupies an enviable position among cities of its class.

BANKERS ATTEND COMMERCE BANQUET

A large number of Chicago and down-state bankers were present at the eighth annual banquet of the Chicago Association of Commerce held in the gold room of the Congress Hotel on Tuesday evening. Among those in attendance were the following: C. P. Clifford, First National; G. F. Emery, Live Stock Exchange National; J. Fletcher Farrell, Fort Dearborn National; J. F. Hagey, First National; E. A. Hamill and C. L. Hutchinson, Corn Exchange National; W. N. Jarnagin, National City; H. R. Kent, Fort Dearborn National; Malcom McDowell and W. G. Edens, Central Trust Company of Illinois; C. H. Meyer, Security Bank; John P. Murphy, Hibernian; T. E. Newcomer, Fort Dearborn National; Jos R. Noel, Northwest State; Dan Norman, Continental and Commercial National; George Pasfreed, Farmers National, Springfield; R. L. Redheffer, Security Bank; C. E. Schick, North Avenue State; Byron L. Smith, Northern Trust; John F. Smulski, Northwestern Trust and Savings; C. W. Terry, Citizens State and Trust Bank, Edwardsville; Sol. Wexler, Whitney Central National, New Orleans and Fred L. Wilk, Union Trust.

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The minstrel show to be staged at the Pabst Theater, December 6th and 7th, by members of the Milwaukee Chapter of the American Institute of Banking is claiming chief attention among the employees of Milwaukee's banks.

Sixty members of the Milwaukee Chapter will participate, and are now engaged in rehearsals twice a week. E. A. Reddeman, cashier of the Germania-National was accorded the signal honor of being chosen interlocutor. The eight end men are Howard S. Swan, Theodore E. Lusk, James E. Hogan, L. Halsey, William Steiner, Walter W. Dueringer, W. George, and W. Lochen. Louis Petran is rehearsing a Julian Eltinge act, expected to be the hit of the show, and H. G. Rogers and Charles Collins are preparing another act in feminine apparel. The chorus is composed of H. Addicks, G. Anderson, A. G. Burmiester, C. Becker, G. H. Baebenroth, W. Blackburn, L. Barthrob, F. Bernard, H. W. Backus, S. S. Conrad, J. C. Dysart, Paul Danielson, James Daggett, H. H. Doin, L. Davis, R. G. Danneker, E. J. Danneker, J. A. Eifert, P. Flint, Paul Froelich, E. Frankenberg, H. Falbe, A. C. Glaeser, C. Hill, E. G. Gruendler, Albert Hansen, William Hencke, C. R. Jeske Peter Justin, R. W. Johnstone, F. R. Janzer, A. C. Koepke, A. G. Kutschen, H. W. Kort, E. H. Kambe, Theodore E. Lusk, E. Larson, George Luscher, C. Loomis, E. F. Manegold, F. Nicholai, George Nolan, H. Platz, A. Rieloff, H. W. Roehr, A. H. Reichergen, N. M. Schmidt, William Sulli-

van, A. J. Salentine, George Stroebel, R. J. Springob, George Vogt and A. H. Vick. Rehearsals are under the direction of George Bainbridge.

Boxes for the opening performance have been taken by the following: Charles F. Pfister, L. J. Petit, Fred Vogel, Jr., James K. Ilsley, Oliver C. Fuller, Gustav Pabst, William Woods Plankinton, Albert Trostel, John E. DeWolf, and George H. Russell.

Returns from Hunting Trip

President James K. Ilsley of the Marshall-Ilsley Bank is expected back from a hunting trip in Montana this week.

Postal Savings Banks

December 2d, is the last day on which applications for postal savings bonds will be received, according to the announcement of Postmaster David C. Owen. Bonds may be obtained in amounts up to \$500 in \$20, \$100, and \$500 and will bear interest from January 1st.

Alleged Forger Held

Albert Plummer, alleged forger, was arrested in Milwaukee this week and is held pending the arrival of police officials of Eugene, Ore., where he is wanted on a charge of forging a check on the Eugene Loan and Savings Bank to the amount of \$1,000. A revolver carried by Plummer in his hip pocket led to his apprehension by Milwaukee detectives, who later ascertained the more serious charge against him.

Secretary Bartlett on the Jury

Secretary George W. Bartlett of the Wisconsin Bankers Association had the misfortune, or good fortune, as it may be, to become impanelled on a jury before which a trial is in progress this week in Judge Ludwig's branch of the circuit court.

Stockholders Hold Meetings

In an effort to secure the balance of the right of way between Milwaukee and Fox Lake before December 1st in accordance with the recommendations of prospective eastern bondholders, stockholders of the Milwaukee-Western Electric Railroad are holding a series of meetings in cities and towns along the proposed route this week, the series to end with a meeting of the Milwaukee stockholders Monday night, at which William George Bruce, secretary of the Merchants and Manufacturers Association, will be the principal speaker. With the completion of the purchase of right of way the stockholders anticipate no difficulty in floating the bonds.

Agricultural Conference

The meeting held under the auspices of the agricultural committee of the Wisconsin Bankers Association at Madison on Friday was attended by bankers, business men, and farmers from all parts of the state, bent upon uniting in a general campaign for systematic education throughout the state along crop improvement lines. Ways and means of instituting and maintaining the campaign suggested



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followed in the main the present contest systems already instituted by the W. B. A. and the Milwaukee Chamber of Commerce, only on broader basis. Full reports of the meeting will be sent to the civic and commercial associations represented, after which these will take action on the recommendations embraced. Prof. R. A. Moore of the University of Wisconsin Agricultural College, who has been of great assistance to the W. B. A. in its prize contests, and Secretary Bert Ball of the Crop Improvement Committee of the Council of North American Grain Exchanges, were the principal speakers.

Bank for Ripon

The Ripon State Bank was incorporated this week with a capital of \$50,000. Incorporators are F. J. Yuhr, J. M. Kolser, and C. H. Krippine.

New Banks

The State Bank of Webster, Minnesota, is incorporated at \$10,000. Incorporators are: S. A. Netland, W. W. Pye, A. O. Netland, Northfield; F. A. Rhur, Rosemount; D. E. Goodman, Faribault; P. J. Mergen, Northfield.

The First State of Big Forks has been incorporated at \$25,000 capital. Incorporators are: F. P. Sheldon, Minneapolis; A. G. Wedge, Jr., Bemidji; S. J. Moran, Deer River; A. E. Peterson, Big Fork.

Bankers Witness Football Game

Fifteen members of the executive committee of the Minnesota Bankers Association happened into Minneapolis last Saturday, the day of the Wisconsin-Minnesota football slaughter. They attended, and watched with respect. The board has sixteen members. A committee is to be appointed by G. A. DuToit, Chaska, chairman, to select a successor to C. R. Frost, resigned, as state secretary. Secretary W. B. Hughes of the Nebraska association; W. C. McFadden, North Dakota Association; P. W. Hall, Iowa Association; E. C. Platt, South Dakota Association; G. D. Bartlett, Wisconsin Association, met in Minneapolis to discuss features of insurance in which the association is interested.

TWO NEW BANKS TO OPEN

Announcement is made that the Halsted Street State Bank will be opened December 5th in the building constructed for it at Sixty-ninth and South Halsted streets. The following officers and directors have been elected: President, Henry F. Eidmann; vice-president, E. L. Roberts; Cashier, Roy P. Roberts; assistant cashier, Herbert Eidmann; directors, the above officers and S. J. DeVries, Fred A. Rathje and Gustave J. Tatge.

The bank will have \$200,000 capital and a paid-in surplus of \$20,000.

It is announced that the Liberty Trust and Savings Bank with \$250,000 capital and \$25,000 surplus will open for business early in December at Twelfth Street and Kedzie Avenue.

NO TARIFF SCARE IS LIKELY

New York, Nov. 20th.—Louis G. Kaufman, president of the Chatham and Phoenix National of this city, thinks it will be a hard task to get up a tariff scare, for the simple reason that times are too prosperous.

"I do not look for any real radical changes in the tariff," said Mr. Kaufman, "but even if the leaders were disposed to put through a radical programme I do not believe the South, which is growing so fast industrially, would permit it. Some changes which might affect certain industries for a time would, on the other hand, be of benefit to the people of the other sections.

"The formation of the United States Steel Corporation was the best thing that ever happened to the industry. You don't hear of failures in the steel and iron business now, and the industry is on a stable basis. It is live and let live, and the country is better for it.

"Business conditions certainly are on a healthful basis everywhere throughout the United States. There are no reports to be had that speak otherwise."

From a careful canvass of the mercantile situation Mr. Kaufman said he was unable to find any clouds on the horizon. Particularly was this true of the West and Northwest, where the banks and business houses were reporting an

enormous volume of trade. Any ill effects of agitation over the tariff question he was certain had been discounted many months ago.

In conclusion Mr. Kaufman said: "The crops this year are so great that I do not believe they can all be moved to market inside of the year, and the proceeds of this enormous wealth certainly must result in maintaining a very big and broad volume of business for a long time to come. We are not likely to have any boom, but a steady, substantial and healthful activity with substance behind it."

ATTRACTIVE BOND OFFERING

The bond department of the Central Trust Company of Illinois, owns and offers subject to prior sale \$230,000 of bonds of the Advertising Building, to be located on Madison Street between Clark and LaSalle. These are first mortgage, 5½ per cent, leasehold, serial gold bonds, issued by F. R. Barnheisel.

SEES NO DANGER FROM REVISION OF TARIFF

D. R. Forgan, who returned this week from New York, said that financiers there believe there can be no radical revision of the tariff. The country is now so big and the cost of running the government so large that a fair tariff is assured by reason of the revenue that must be derived from the imposts. Mr. Forgan said that money is likely to remain stiff until the end of the year.

PROMINENT NEW ORLEANS BANKER IN TOWN

Mr. and Mrs. Walter L. Saxon of New Orleans were Chicago visitors Wednesday. Mr. Saxon is vice-president of the German-American Savings Bank and Trust Company and a director of the German-American National of New Orleans. He also is a member of the big wholesale grocery firm of Smith Bros. Company, Ltd. Mrs. Saxon is just back from a prolonged trip through Europe.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, November 20th.—The gain in bank clearings the past week over the corresponding week last year has been marked. The volume of business transacted at the financial institutions has been very large and all branches of banking have been active. The demand for money has been of liberal proportions, rates holding firm at $5\frac{1}{2}$ to 6 per cent on call and time loans.

F. J. Wade Talks on Banking Reforms

Festus J. Wade, president of the Mercantile Trust, addressed the St. Louis League of Electrical Interests at the Mercantile Club yesterday on "Reforms in Banking, Credit and Panics." He told of conditions in 1907 and what measures were adopted to relieve financial stress.

Credit Men Give First Ball

More than three hundred persons attended a ball and reception given by the St. Louis Association of Credit Men last night. The officers who participated in the reception were: President W. B. Munroe, Vice-president C. W. Hughes, Treasurer A. O. Wilson and Secretary C. P. Welsh.

Hannibal Banker is Dead

Aaron R. Levering, president of the Farmers and Merchants Bank of Hannibal, died yesterday. He was seventy-three years old, the oldest banker in northeast Missouri, and was president of the Board of Curators of the William Jewell College at Liberty. Mr. Levering was one of the organizers of the Farmers and Merchants Bank in 1870. He founded the Levering Hospital and also contributed money for the erection of a nurses' home.

Banks Urge Check Protection

Edwardsville banks have issued warnings to customers urging them to use care in issuing checks so they can not be raised. It is said attempts have been made to raise checks in Edwardsville. The banks urge that a protectograph of some sort be used to make impressions on checks.

Mortgage Companies Pay Dividends

The Mortgage Guarantee Company and the Mortgage Trust Company will each pay its regular semiannual dividend of \$2.50 a share, November 30th. Each company is capitalized at \$500,000. The companies have paid this five per cent annual dividend since their organization about three years ago.

Houston Oil Company Re-elects

The directors of the Houston Oil Company, with holdings in Texas, organized yesterday in the offices of Whitaker & Company by re-

electing its officers: Samuel W. Fordyce, president; D. S. Smith, and Henry J. Bowdoin, Baltimore, vice-presidents; L. S. Zimmerman, president of the Maryland Trust Company of Baltimore, treasurer; A. W. Standing, general manager; H. O. Head, Sherman, Tex., general counsel; A. H. Kennerly, Houston, Tex., auditor. The directors' meeting was held in Houston Tex., November 12th, the following directors being re-elected: Edwards Whitaker, Murray Carleton, D. S. H. Smith, John F. Shepley and S. W. Fordyce of St. Louis; Henry J. Bowdoin, L. S. Zimmerman, Edwin G. Baetjer and A. H. S. Post of Baltimore; P. Calhoun and S. H. March of New York; Charles G. Saunders of Boston, and H. O. Head of Sherman, Tex. Officers of the company yesterday denied a report from Texas that the company was to change hands.

Taxes on Failed Banks

In response to a request from the bank commissioner of Oklahoma as to whether the guaranty fund can be held liable for unpaid taxes against a failed bank. Attorney-General West holds that the fact that a bank has failed does not exempt it from liability for taxes. The opinion states that if a bank can delude the bank commissioner sufficiently to cause him to allow the institution to operate beyond the time when it should have done so, it may also deceive the assessor into fixing a value on the capital stock and assets for taxation above what the bank possesses. The attorney-general suggests that if the bank commissioner would send to the assessor of each county the net value of the capital, surplus and undivided profits of each bank in that county, which is the basis of assessment of banks, that the assessor would be glad to follow it and the valuations would be more nearly equitable.

St. Louis Bankers in Mexico

More than fifty bankers and brokers from New York, St. Louis, Chicago and other northern and eastern cities, who have been making an inspection over the St. Louis,

Brownsville and Mexico Railroad, a Frisco property, crossed over to Matamoras, Mexico, from Brownsville, Texas, on Sunday for a hunting trip into the wilds of northern Mexico. Several Mexican guides were employed and the party spent several days upon a ranch, hunting deer, panther, and other wild animals.

Trust Company Reorganized

For the purpose of putting the business of the American Trust Company of Houston, Texas, on a sound basis, a meeting of the directors of the organization was held last week. The resignations of eight members of the board were accepted, the capital stock was reduced from \$500,000 to \$250,000 and plans were made for the complete reorganization of the affairs of the concern that are expected to establish it on a basis that will insure its success from now on. The six members of the board remaining in control will select other directors to fill the vacancies temporarily until the next meeting of stockholders.

Bank Cashier Given Five Years

G. M. Britain, late cashier of the First Guaranty State Bank of Weldon, Texas, was found guilty of abstracting funds of the bank and was sentenced to five years in the penitentiary. The state banking department, it is said, instigated the prosecution. Britain's total shortage was alleged to be \$3,590.

F. A. Vanderlip in Houston

F. A. Vanderlip, president of the National City Bank of New York, and director in the Union and Southern Pacific systems, was in Houston Saturday. It is understood that Mr. Vanderlip is in Texas to attend the opening of the new town of Freeport.

Bank Safe is Dynamited

Robbers dynamited their way into the vault of the Kingston Bank and Trust Company at Kingston, Tenn., early Monday, obtained \$1,500 in cash and escaped. The charge of explosive was so heavy that books and currency in the vault were torn to shreds.

To Discuss Country Life

The social and economic interests of country life will be discussed at Vandalia, Mo., by notable speakers on November 30th and December 1st and 2d. Country schools, country churches, good roads, farm co-operation and better crops will be the theme on these three days. The speakers are to be Dr. A. Ross Hill, president of the University of Missouri; Dr. Moses Breeze of Wisconsin; Prof. Harold W. Foght of Kirksville, Mo.; Rev. Clarence E. Hatfield of Hoberg, Mo., and Rev. Charles King of Louisiana, Mo. Dr. Warren H. Wilson of New York, will preside.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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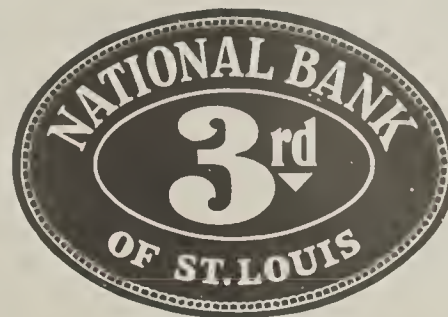
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**PLYMOUTH PLACE AND POLK STREET
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CHICAGO**

**Capital
\$2,000,000**



**Surplus
\$2,000,000**

Deposits, \$35,000,000

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**C. H. HUTTIG, President
F. O. WATTS, Vice-Pres.
T. WRIGHT, Vice-Pres.
R. S. HAWES, Vice-Pres.**

**J. R. COOKE, Cashier
D'A. P. COOKE, Asst. Cash.
H. HALL, Asst. Cash.
E. C. STUART, Asst. Cash.**

The Transit Department and Banking Relations

Transit items are checks or drafts drawn on banks located out of town. It is the business of the transit department to collect these outside items, and until they are collected or lodged at some correspondent bank they do not count as a part of the bank's resources. A city bank of deposits averaging about \$5,000,000 will have outstanding in the process of collection, from \$250,000 to \$300,000 of such items all the time. The object of the transit department is to collect these out-of-town items as cheaply, as safely and at the same time as quickly as possible. The cost of collecting these items not only includes the running expenses of the department, but also the exchange charged by country banks. The transit department cannot be profit producing unless the exchange received from customers is greater than that paid out to correspondents after the running expenses of the department have been added. Careful and constant watching is necessary to keep down this cost of collection. This is where an experienced transit man can earn his salary. The transit manager must not only look after the bank's interests in keeping down expenses, but must also safeguard the customers' interests by using strong and reliable banks as collection agents, by keeping after delayed remittances and by maintaining proper records. The very fact that the bank acts only as an agent for its customers in collecting their deposits will cause the bank to feel the responsibility of a careful selection of correspondents. Proper record of the endorsements, payees and amounts of items is also necessary so that duplicates can easily be secured of lost items.

One of the things that should be insisted upon is the direct collection of items. In fairness to the bank's customers, every item deposited should be sent as near to its place of origin as possible. Delay arising from round-about routing should be minimized, and, in fact, it is a question whether or not a city bank would be liable in case a check was returned unpaid after floating around the country from bank to bank for an unreasonable length of time. It is generally agreed by good transit

Craig B. Hazlewood of the Union Trust, Chicago, treats of important fea- tures of successful bank- ing before the Baltimore Chapter, A. I. B.

men that there should be no more than three bank endorsements on any item and it is preferable to have but two or one. Ordinarily a city bank will collect two or three of the neighboring states direct, that is, send the items to the points of origin. For the territory farther away it is customary to send the items to collecting banks in other reserve cities where balances are maintained for this purpose.

The transit department receives items from two sources, through the mail in cash letters from bank correspondents and over the counter from city customers. All outside items are charged to the transit department, listed and then sorted by states or territories. The sorting is done according to definite instructions resulting from arrangements made with other banks for the handling of the business. There may be one or more clerks, depending upon the size of the bank, to make up the cash letters containing these country items. In the larger banks it is customary to have the stuff divided into registers, so-called, each register having a certain number of accounts or a certain number of states. Each man balances up his own work against the total handed to him by the sorter.

One simple method of division for a small bank is to have two registers, one for items sent for credit, that is, to correspondents; and

the other for items sent for daily remittance, that is, to non-correspondents.

Problem of Exchange Charges

Let us analyze for a moment this matter of exchange charges on country checks. It operates like this. Supposing a man in Charleston, we will say, buys a bill of goods from a jobber in Baltimore and sends the Baltimore house his check on a Charleston bank for the net amount of the bill. The Baltimore jobber deposits this check to his own credit with a Baltimore bank who charges him exchange therefor, of, say, \$1.00 per thousand. The Baltimore bank then sends the item to its Charleston correspondent who remits for it less \$1.00 per thousand, if that is the regular charge. In this case the Baltimore jobber has paid a tax on the transaction, that is, the exchange charge, and has not, therefore, received the full amount due him. It is possible that the Baltimore jobber is a very good customer of his bank and in that case the Baltimore bank might choose to accept the check from him without exchange charge, though they themselves will have to absorb it. In this case the bank has paid a tax on the transaction with which, in fact, they have had nothing to do. It can be seen from this that the country merchant has transmitted the funds in a form worth something less than their face value, which you will agree is not fair to either the Baltimore house or the Baltimore bank. As a matter of strict equity, a local merchant should do one of two things, either go to his home bank to purchase a draft for the amount, which is received at par through Baltimore, or send his check on his home bank plus the exchange.

The theory of exchange is that it is supposed to represent the shipping rate of currency. The use of a banker's facilities represented by the cashing of personal checks or the sale of a banker's draft in order to transfer funds from one party to another located in different cities, is worth something. Without these facilities it would be necessary for anyone making a payment in another city to send the actual cur-

(Continued on page 24)

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

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CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

Editorial Comment

HOW TO GET STATE SUPERVISION

To those who have examined into the situation carefully it would seem that there is a shorter and more certain route to state supervision in Illinois than by a direct amendment to the banking act. An amendment to the banking act, under a constitutional provision, must be submitted on a referendum vote to the people. This requires considerable delay and no little expense. In addition, if the general subject of a redraft of the Illinois banking law should come before the legislature there is every likelihood—speaking plainly—that numerous amendments would be offered covering such questions as guaranty of deposits, segregation of savings deposits and the owning of stock in one bank by another bank. In fact, the question once opened, it might be difficult to control the situation.

The regulation or supervision of strictly private banks as such is looked upon as an utter impossibility. The private banker might possibly be conducting his bank legitimately; it might be making money and be totally solvent. Yet this same private banker might have interests in traction companies, land companies, manufacturing concerns and gas properties, or even in mining stock. Personal losses in any of these enterprises naturally might cause the bank to fail and its depositors of course to have their claims scaled down simply as creditors of his estate. The bank examiners could not pass upon the solidity of a private bank as such without an examination of all of the investments and business enterprises in which the banker was concerned. Incorporation is the only remedy for the present situation.

The short route to bank supervision in Illinois might come through a section to be added to the criminal code making it an offense after a certain fixed time, say from three to five years, for any institution other than an incorporated one to call itself a bank or to exercise any of the banking powers. Sections 25-a to 25-d inclusive of the present criminal code provide for the punishment of bankers, brokers, etc., who may violate its provisions. The courts have on numerous occasions sustained the statute; hence it would seem to follow that the plan suggested is feasible. Such an amendment would not be required to come to a vote of the people and might become effective at once as to all new banking enterprises and applicable to going institutions in existence at the time the amendment was passed after a period of from three to five years. This would give the solvent private banker an opportunity to convert his lands and other investments into money. The minimum capital for a state bank in the city of Chicago would be left at \$200,000 as at present. If it were possible to have a two-hundred-thousand-dollar crowd organize a bank with a capital of \$50,000, such a capital might be adequate. This, however, might not happen very frequently, and a crowd which could not raise a capital of \$200,000 to

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

start a state bank should be denied the privilege. In sections of the city which could not support a two-hundred-thousand-dollar bank, they would not have far to go to find one already in operation.

Another matter which concerns the bankers of the state is the present burdensome system of examination fees. A bank examiner from Chicago goes over to Moline and charges all of the banks in that city round-trip mileage from Springfield in addition to his examination fee. For a five-cent fare he can reach Rock Island from Moline and charge each of the banks in Rock Island also a round-trip fare from Springfield in addition to the examination fee. This is what a distinguished member of the Illinois Bankers Association at one time called "constructive mileage." The whole question of fees and mileage could be adjusted by an amendment to the present fees and salaries act, also without submission to a popular vote. It is understood that these questions have been passed upon by the very highest authority in the state and that there will be no constitutional or legal objections to bringing about the reform in the manner suggested. Bank supervision has attained a wonderful popularity within the last few weeks, and all, or nearly all, of the big Chicago dailies are hammering away at it both morning and night. If all of this tremendous power and enthusiasm could be directed toward some simple plan such as that outlined above, there would be neither uncertainty nor delay in bringing about universal bank supervision and eventually bank incorporation in Illinois. In the meantime a hint to the wise would be to incorporate at once. Let every private banker in the state who feels right minded, and who recognizes the handwriting on the wall when he sees it, show to his depositors and to his neighbors that he is in a position to convert into a state bank whenever he feels like it.

MORTGAGE BANKS FOR FARMERS

President George Woodruff of the First National at Joliet has devoted considerable time in both Europe and America to investigating loan systems adaptable to American mortgage banks intended to furnish cheap funds to farmers. His first public appearance on the subject was at the Detroit convention of the American Bankers Association, where he let in a little daylight upon the much touted cheap

money supplied to European farmers. His investigations in France and Germany show conclusively that what the farmer gets for his three and one half per cent interest is not money, but a debenture bond, which he is compelled to sell in the open market and thus his loan nets him from about four and one quarter to six per cent. Mr. Woodruff again spoke on the same subject at the Peoria convention of the Illinois bankers and since that time has been in demand where such subjects are under consideration. He has not yielded to the desire to make a sensation by reporting things which have not happened, nor to hold out promises to the American farmer which cannot be fulfilled. This week he spoke on mortgage banks before the Minnesota Conservation and Agricultural Development Congress, covering all divisions of his subject. He reviewed briefly the findings of American investigators and touched upon the various divisions of European agricultural credit. European interest rates were compared with those of America and the adequacy of our present system of credit banks was touched upon. Mr. Woodruff believes that there is need for a complete system of American mortgage banks. He discussed somewhat at length these various plans and gave his view upon the functions of such an institution. Amortization provisions, which appear in most European farm mortgages, were explained and it was shown that whereas American farmers now frequently pay eight per cent and frequent commissions for renewals, that under the European system of amortization, total payments of eight per cent would extinguish the entire loan in thirty years.

His talk before the Minnesota delegates was illustrated by figure charts showing how this result would be accomplished. His address in full will be found elsewhere in this edition of THE CHICAGO BANKER and will well repay careful reading and study on the part of all those interested.

LACK OF INTEREST ON THE PART OF BANK CLERKS

The other day a representative of THE CHICAGO BANKER happened to notice on the bulletin board of a certain bank a notice advertising a lecture to be given by the Chicago Chapter of the American Institute of Banking, and requesting the attendance of bank clerks. All over this announcement there was scrawled writing of a derogatory character, some of which probably was meant to be witty, but which fell far short of the mark.

The work which is being undertaken by the American Institute of Banking is deserving of especial commendation. In its endeavor to fit young fellows employed in banks as clerks, for positions involving added responsibilities, it is serving a laudable purpose. In order for one to qualify himself for a better position, it is necessary that he increase his knowledge to



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

A Broad Vision on the part of its founders, and a continued liberality of policy on the part of the management of this bank, have combined to make it more than a local institution. Its Numerous Connections throughout the Northwest enable it to offer complete and acceptable service to its many patrons in Minneapolis and in the great states comprising the business territory of this city.

Capital and Surplus, \$5,000,000

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a point consistent with the duties of the position which he desires to attain. The time has passed when apprenticeship in any particular vocation is all that is required to increase one's efficiency in that particular line. Nowadays the standard fixed by business men is much higher than formerly, so that a successful applicant for a position is required to be possessed of a certain amount of scholastic training. Frequently young men are hampered in their quest for knowledge by the fact that they are employed all day, which often precludes the acquisition of very much learning outside of that which they get from their positions. The only solution of this problem is the night school. The American Institute of Banking is the solution in the case of the young bank clerk who doesn't want to be a clerk all his life, but who desires to be somebody in this world and to be able to hold a position above the average one which requires special skill and training. Truly it is too bad that more young men do not take advantage of the opportunities which are afforded them. When the time comes to promote a clerk, it goes without saying that he who has special training will be given the preference over the one who has wasted his opportunities and who has looked with indifference and contempt upon a system of education calculated to improve his chances.

JUST AS A REMINDER

The formal application of Earl W. Butler came up at the Springfield session of the state board of pardons just to remind us that the Kirby fiasco isn't the only one. Butler is but eighteen years of age, yet he succeeded in operating a string of private banks in Lewistown and other small towns near Peoria. He didn't steal the depositors' funds—he only "speculated" with them. The "wire tapper" method was not then discovered but he got away with the funds just the same. There have been too many "bank" failures, and too few of those who "failed" went to the pen to make us agree to a pardon or other condonement.

Phenix, Va.—Bank of Phenix has been incorporated. R. S. Chamberlayne is president; R. L. Snell, vice-president, and Walter Sparklin, cashier.

BANK MERGERS IN CANADA

The year 1912 will have a place in Canadian banking history on account of the number and importance of the mergers occurring in it. At the beginning of March the union of the Canadian Bank of Commerce and the Eastern Townships Bank occurred, whereby the first-named institution was lifted to a practical equality with the Bank of Montreal. Six months later, at the beginning of September, the Royal Bank and the Traders united forces, after which event the Royal became an institution with \$170,000,000 of assets. Next month, in October, the provisional agreement for the absorption of the Bank of New Brunswick by the Bank of Nova Scotia was announced. If the shareholders of the New Brunswick bank ratify the sale the union will take place February 1, 1913. According to the current bank return, September 30, the assets of the Bank of Nova Scotia amount to \$66,982,002, and those of the Bank of New Brunswick to \$12,676,121. So the combination probably will have assets of about \$80,000,000.

This announcement scarcely was made when the newspapers in Montreal and Toronto were giving details of a fourth merger which is expected to be consummated in a certain contingency. In this last case the Metropolitan Bank of Toronto is credited with having made an offer for the Banque Internationale, the new Franco-Canadian institution founded a year ago by Sir Rodolphe Forget and his associates. The Metropolitan had assets September 30 of \$13,828,032, and the Internationale had assets of \$5,152,614. However, the footings of the balance sheets of the later institution were swollen September 30 to the extent of from \$1,000,000 to \$1,500,000 by a special deposit supposed to be of a temporary nature. And if the combination goes into effect

the Metropolitan afterwards in all probability would show total resources of about \$18,000,000.

SEASONAL BOOK OFFERINGS

"Through South America" is one of the best of the fall offerings by the publishers. It is by Harry Weston Van Dyke, introduction and commendation by John Barrett. The illustrations are full page and 32 in number.

As Mr. Barrett, the distinguished director-general of the Pan American Union, says in his readable and informing introduction to this book, "No one can read Mr. Van Dyke's travel story of South America without being impressed with the importance of these countries, the enjoyment and value of visiting them, and the advantage of the development of closer relations between all of them and the United States." The volume is certainly a most satisfactory one, viewed from the point of the prospective traveler, the business man with an eye to South American trade, or the reader in search of full and complete information about this great and vastly interesting continent. After an opening section giving an outline of the stormy history of South America from its discovery by Europeans, each country is taken up in turn, and its scenery, cities, people, social life, and industrial, economic, and commercial aspects described. Especial stress is laid on the trade relations between the two Americas, on which, as Mr. Barrett points out at some length in his introduction, the Panama Canal will have such an enormous effect. The discussion of the future of the commerce of both continents lends a particular interest to this wide-awake book by an alert traveler.

Published by Thomas P. Crowell Company, New York, at \$2.00.

"Childhood" is a volume of beautiful tots in soft browns and appropriate verses for each. This is a beautiful quarto volume of pictures of children taken from life, and all of them up-to-date American children, amid their home surroundings. The illustrators have had recourse mostly to sepia tints. All the more important photographs of the little ones are full-page, the subjects chosen with much discrimination. The pictures are "tipped in," not pasted down, and on that account show up much better than would have been the case had use been made of a now obsolete process, but which was thought all right in its time. As a table book "Childhood" will doubtless find many admirers.

"Childhood" is on heavy plate paper and comes boxed for Christmas trade. It will appeal to all children and to all among the grown-ups who love them. Published by Crowell & Company, New York, at \$3.00.



For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. Your account carried on the books of a solid, conservative bank adds prestige to your name. Correspondence and interviews solicited.

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E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Northwest Apple Growers Conference at Spokane

Waldo G. Paine, railroad expert, tells the needs of the producers for adequate storage facilities at a convenient center

Before the Pacific Northwest apple industry can get maximum returns, organization between districts for marketing purposes must be effected and a large storage plant must be provided in Spokane, according to the belief of Waldo G. Paine, traffic manager of the Spokane & Inland Empire Railroad and chairman of the publicity committee of the Spokane Chamber of Commerce.

In an address at a large conference of growers during the National Apple Show in Spokane, Mr. Paine said:

For a long time intelligent men who have been close to the pulse of the apple industry in the Pacific Northwest have realized that something must be done if we are to maintain our place as a producing section and if we are to rise to the position that should be ours by all natural laws.

This realization has led to more advanced cultural methods and has even gone a way toward securing co-operation among the growers. But we are now facing a situation that demands action—action both speedy and intelligent. I believe the problem will be solved in time, but not by sitting quietly by and allowing things to take their course. This attitude cost California growers dearly, and it will serve us the same if we do not take time by the forelock and do something.

Apple conditions up to 1910 are well known—limited crops in the Pacific Northwest and ever-decreasing crops in the barrel districts of the United States. But in 1910 the east had an abnormally small crop. That year the northwest had the largest in its history to that time, amounting to about 10,000 cars in round numbers.

Even then we were not able to get the maximum return, for we were not prepared to market our crop judiciously and widely. Fortunately, the light crops of the east, with their corresponding market opportunities, automatically stirred up some demand for the box apple, but conditions were slow in shaping themselves.

Meanwhile there were some severe losses by growers, due to indiscriminate consigning and leaving the fruit too long on the trees, resulting in their arrival at the markets in an over-ripe and soft condition. A car shortage added to the gaiety of the situation. Later in the season, of course, after the first glut was over, prices naturally stiffened and the results on the whole were fair. Some districts lost more than others; many growers got less than the cost of production.

Nineteen-eleven found conditions reversed. The east had a large crop of apples while the northwest crop was abnormally small, less than 50 per cent of the 1910 crop, in fact. People began to talk about co-operation, but desultory and unscientific methods of selling still prevailed to a considerable extent. Lack of co-operation between districts found the northwest in a general state of uncertainty and unpreparedness to market the small crop intelligently. Looking back over the 1911 situation, I am impressed with the fact that the vital necessity for general business organization was demonstrated even more forcefully than in 1910.

This year the situation that has been inevitable sooner or later has been reached. We find the east, the west, the northwest, the southwest—the whole country, in short—producing abnormally large apple crops. As a whole, the crops are more than 50 per cent larger than last year, and the largest since 1896.

We are to-day face to face with cold, hard facts. Theory no longer exists as to the charac-

ter of competition the northwest apple must meet in order to justify a living wage to the orchardist and interest on an exceedingly large investment in orchard lands and trees.

That is the history of the apple business during the last few years. From it we must take our lesson. Prejudice against co-working with one's neighbor has no place in the proper application of this lesson. It must give way to reason, and the grower must come to realize that his fellow-grower is not a horse thief, and that their interests are identical, and that only by team work can all hope to prosper.

Assuming that the Pacific Northwest is fairly well organized in its different fruit sections by local organization, as it is to a reasonable extent, is that local organization sufficient? Decidedly not. There must be organization between districts if the apple business is to get adequate returns. This matter, however, is treated capably and fully by men competent to give you exact facts and figures. All I shall do is to give you my views regarding one big feature of the problem, on which its solution depends more or less. That is the matter of storage.

I do not propose to tell you anything about what kind of storage facilities you should provide, but rather shall touch briefly on the subject fundamentally as it affects the distribution side of the business.

In the first place, I believe Spokane is the natural storage center for a large portion of the Pacific Northwest apple crop. This city is conveniently located with respect to all the growing districts, and its wonderful railroad facilities make its position of great strategic importance to the grower. From here any point in the United States or Canada can be reached with ease and dispatch.

These advantages, geographically and because of transportation facilities, are still further increased by recent action of the transcontinental railroads in making Spokane a storage-in-transit center. Apples now destined for the east may be stored in Spokane for a period not to exceed nine months, for five cents a hundred more than the through freight rate.

The importance of this to the Pacific Northwest is at once obvious. In reaching markets west of the Missouri river or St. Paul, the nearest storage-in-transit center, a considerable saving is effected by storing in Spokane. If stored in St. Paul, the back haul to the markets of such states as the Dakotas and Montana would be no small item of expense to the grower.

Then, too, the storage problem must be met locally by the individual growers and at the initial shipping point, such as North Yakima, Wenatchee, Hood River and all the others. The grower himself should be prepared to take care of a portion of the product of his own orchard, and the initial shipping point must have capacity for a portion of the crop of its own immediate locality.

But it appears not only impracticable but impossible for any one of the many initial shipping points to handle the crop of districts other than its own. Sufficient reason for this conclusion is

found in the fact that none has the transportation facilities necessary to reach all the markets expeditiously and without loss of time that would result in damage.

Then again, any city that goes into the market as a storage center must be large enough to insure against loss to the storage owners by reason of crop failure. Spokane is so situated that a crop shortage in one particular district would work no material damage. A large storage plant in a city one-tenth its size would lie idle a whole year in case of crop failure in that district, with consequent loss to the investors.

Just as co-operation and intelligent, scientific study are needed on the part of the growers, so they are necessary on our part here in Spokane. We have the means at hand to assist in placing the apple business on the right course. It is now up to us to make Spokane the apple storage center of America. As I told you before, we have all the conditions necessary to success. All that is needed now is pluck and brains and teamwork. The situation must be investigated thoroughly by men of broad experience and special fitness for the task. Having once determined that the apple business can be served by so doing, it should be decided that proper storage facilities must be provided in Spokane to care for such a proportion of the Pacific Northwest apple crop as the future may demand.

A broad, public-spirited course must be followed if we would get the best results. Scientific investigation of the situation, past, present and future, so as not to provide too great or too small facilities, is imperative. To-day Spokane can care for only about 400 carloads of apples. A plant to store 500 more is to be built next spring. But I feel certain that when the trees now planted in the Pacific Northwest come into bearing we shall need storage capacity many times as great.

So let us get together, growers, bankers, business men, railroad men and all who are interested directly or indirectly in this great apple industry. This will be a much more prosperous country and a much more happy country in which to live if the man who tills the soil and grows the trees makes a fair return for his investment of time, brains and money.

BALTIMORE BANKER DIES

Dr. David H. Carroll, a leading financier of Baltimore, died last week from Bright's disease. He was born in Baltimore seventy-two years ago. For several years Dr. Carroll was a minister of the Methodist Episcopal Church and received the degree of D.D. from Dickinson College. Impaired health compelled him to give up active work in the ministry in 1872. Ten years later he engaged in business and at the time of his death was president of the National City Bank and of the Consolidated Cotton Duck Company.

R. E. JAMES SENDS OUT LETTER

R. E. James of Easton, Pa., chairman of the A. B. A. committee on constitutional revision, is out with a letter to each member of the council asking for suggestions as to any change which should be made in the organic law of the association.

GARDNER (ILL.) BANKER A FEDERAL JUROR

Wade S. Allison, cashier of the Exchange Bank at Gardner, Ill., is serving as a juror in the United States court in the Fitzgerald trial.



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On its limited trains a compartment, complete and comfortable, provides electric fan, reading lights, electric call bell, hot and cold water, maid, valet, and stenographer.

Perfect privacy if you desire to be alone with your work or your book — just like your den at home.

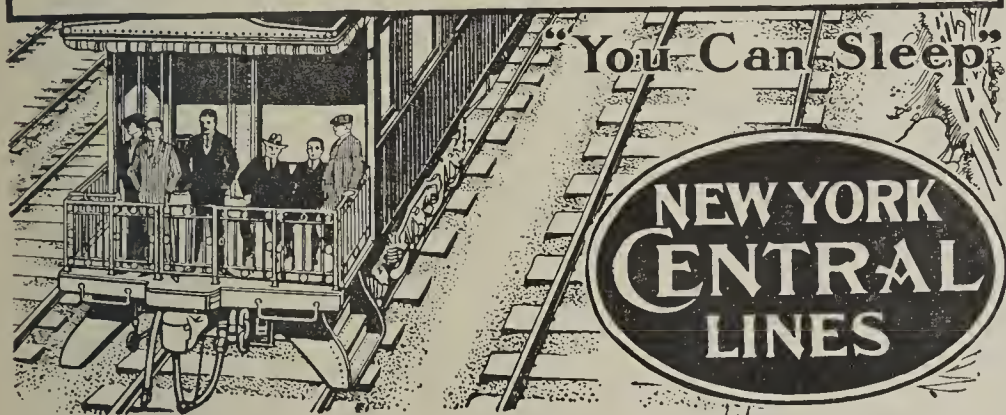
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OLD EMPLOYEE OF MERCHANTS LOAN DIES

John C. Curtis, who had been head messenger for the Merchants Loan and Trust Company of this city for fourteen years, died at his residence, 4843 Washington Boulevard this week.

TALKS ON CREDIT

David R. Forgan, president of the National City Bank of Chicago, in a recent address before the Canadian Club of New York, said that over 90 per cent of all business is accomplished by means of credit and the balance of 10 per cent is transacted with money, which also is based on credit.

ADDRESSES ILLINOIS PUBLISHERS

On Tuesday of this week, President William G. Edens of the Illinois Highway Improvement Association appeared before the members of the Daily Illinois Newspaper Publishers Association, which met at the LaSalle Hotel. Mr. Edens represented the Illinois Highway Improvement Association and urged upon the publishers support of its program for legislative action.

NICE POINT IN BANKING LAW

Carson City, Nev.—The long-drawn-out litigation of the county of Esmeralda against the defunct State Bank and Trust Co., has again been taken up in the city by Judge Langan. Esmeralda county claims that at the time the bank failed it had on deposit as a special deposit the sum of \$4,870.03. The receiver of the bank has treated the county deposit as a regular deposit. The present suit is to determine the status of the deposit.

GALENA TRUST COMPANY ELECTS OFFICERS

At a recent meeting of the board of directors and stockholders of the new First Trust and Savings Bank of Galena, Ill., E. W. Montgomery was elected president; John J. Gray will be vice-president and M. J. Berg cashier.

MYRON T. HERRICK TO SPEAK ON LAND CREDIT SYSTEM

Myron T. Herrick, who has been in Europe studying the various systems of agricultural credit in vogue there, has been invited by President Taft to speak on that subject at a meeting of governors at Richmond.

PROMINENT CHICAGO MEN INTERESTED IN MISSOURI BANK

Application has been approved to organize the National Bank of North Kansas City, Mo., with a capital of \$25,000. Directors are J. Ogden Armour, D. Miller, L. F. Swift, E. F. Swift and E. Tilden.

FARMERS CONGRESS TO MEET AT PLANO

The thirty-third annual convention of the Farmers National Congress will meet at Plano, Ill., September 23d to 26th, 1913. Plano has a population of about 3,000, and her citizens are highly elated at having secured the convention over such contenders as Baltimore, Buffalo and other large cities.

A. N. BORT

A. N. Bort, a director of the Beloit (Wis.) Savings Bank, also is a director of the Modern Woodmen of America, one of the chief fraternal societies of the country.

Capital and Surplus
\$3,000,000

THE
CHATHAM
AND
PHENIX

NATIONAL
BANK
New York

Directors:

HORACE E. ANDREWS
Pres. New York State Sys.
AUGUST BELMONT
August Belmont & Co.
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August Belmont & Co.
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DESMOND DUNNE
Pres. Desmond Dunne Co.
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Pres. Erie Railroad Co.
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WILLIAM H. STRAWN, Vice-President

RICHARD H. HIGGINS, Vice-President
ALFRED M. BULL, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Assistant Cashier
WALTER B. BOICE, Assistant Cashier

NORBORNE P. GATLING, Assistant Cashier
HENRY C. HOOLEY, Assistant Cashier

GEORGE M. HARD, Chairman

We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars.

FAVORABLE CONDITIONS IN CALIFORNIA

C. R. Parker, assistant cashier of the Anglo and London-Paris National of San Francisco, and manager of their bond department, spent several days in Chicago this week on his way to New York to attend the convention of the Investment Bankers Association. Mr. Parker reports that conditions are very satisfactory in California.

BRIDGEPORT (ILL.) STATE BANK

Bridgeport State Bank shows capital of \$40,000 and deposits of \$420,000. This bank was organized in 1909 and is located in a district in Lawrence county where the oil business has been developed in recent years. C. E. Seed is president; Joseph Griggs, vice-president; T. M. Mooney, cashier and James Smith, assistant cashier. Mr. Mooney formerly was assistant cashier of the Salem (Ill.) National.

SELLING AGENCY OF McCrum-Howell Insolvent

Richmond Sales Company, a selling agency of the McCrum-Howell Company, has gone into bankruptcy in New York. The liabilities are \$677,000, of which \$441,500 is to the McCrum-Howell concern. Two Chicago banks are creditors to the extent of about \$112,000.

SEES DANGER IN TOO RAPID EXPANSION

T. C. Neal, vice-president of the Central Trust Company of Illinois, believes that the country will continue to enjoy prosperity. He says that the only thing to be feared is the tendency of big business to induce people to expand too rapidly.

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

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CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Bank clearings in the larger cities of the Central West continue to climb with increase in railroad activity due to crop shipments. Kansas City still holds sixth place in the nation's list, with St. Louis fifth. Only New York, Chicago, Boston and Philadelphia are ahead of these cities and Kansas City's percentage of gain led them all for the week ending November 14th. General business throughout the Central West has kept up to the very high standard set for it in October and of course this business is being reflected in the increased activities of the banks of this territory. Omaha showed an increase of 9.9% for the week under review, while Fort Worth had the amazing increase of 48%, due largely to the booming cotton market.

Bankers on Tour of Inspection

Seventy-five bankers and business men from England, New York, Chicago, Louisville, St. Louis, Detroit, Kansas City and Cincinnati have been making a tour of inspection of the Frisco railway properties the past week, swinging around a big circle having as its circumference Chicago, St. Louis, New Orleans, Galveston, Dallas and Kansas City. While most of the travelers were investors in Frisco securities or in enterprises and properties along the lines of that railroad, many of them were also interested in various public service corporations in the cities visited, and a number are large industrial owners. At most of the cities visited, dinners and other attentions were shown the financiers. The personnel of the visiting party was: M. C. Addoms, Jr., New York; Earl Alexander, New York; Henry Almstedt, Louisville, Ky.; F. T. Armstrong, New York; Warden W. Syres, New York; W. F. Bacon, Chicago; Louis Barklage, St. Louis; Arthur Batty, New York; W. L. Bechtold, St. Louis; H. H. Bemis, Boston; J. A. Berninghaus, St. Louis; G. D. Boardman, Auburn, New York; F. E. Bosson, Boston; W. S. Brinkman, Baltimore; Wellington E. Bull, New York; J. G. B. Campbell, New York; G. E. Carlton, New York; E. H. Cates, Richmond, Ind.; Edward Clifford, Chicago; C. G. Cobb, St. Louis; G. T. Curtis, Rochester, N. Y.; Guy P. Dawney, London; C. S. Dean, New York; W. B. Dean, Jr., St. Louis; W. V. Delahunt, St. Louis; L. B. Dow, Kansas City; Raymond A. Eddy, Chicago; Vanhorn Ely, New York; Fred Emert, St. Louis; Henry Emmett, New York; H. C. Fenn, Hartford, Conn.; Talton T. Francis, St. Louis; B. W. Frazer, Jr., Philadelphia; W. A. Gardner, Buffalo; Ernest G. Geary, San Francisco; Heman Gifford, Chicago; George Gilder, New York; Roy H. Goddard, Chicago; John W. Green, Louisville; E. W. Hamilton,

New York; E. B. Hawley, Philadelphia; E. F. Hayes, New York; A. Sherman Hoyt, Chicago; C. B. Hull, Detroit; A. E. Hyde, Kansas City; Berger L. Johnson, Chicago; W. Robert Johnston, Detroit; H. M. Kauffman, St. Louis; W. G. Lerchen, Detroit; Alden H. Little, St. Louis; E. L. Lobdell, Chicago; Daniel Loeb, New York; Sherman L. Lyon, Cincinnati; H. F. McNamara, New York; Albert G. Ober, Jr., Baltimore; H. B. Otis, Chicago; F. Stewart Peck, New York; E. H. Pendergast, New York; Albert T. Perkins, St. Louis; Henry Potter, St. Louis; E. G. Ricker, Milwaukee; R. L. Rinaman, St. Louis; Charles Ruberi, New York; Harry Skinner, Milwaukee; Henry Stockbridge, Baltimore; Eugene E. Thompson, Washington, D. C.; Rudolph Tinkin, Herman A. Tingley, Baltimore; Stewart Waller, New York; Frank Walker, Boston; G. H. Walker, St. Louis; H. H. Waples, Hartford, Conn.; E. A. Wason, Boston; James H. Wear, Jr., St. Louis; Edwin White, St. Paul; W. Bennet Wise, Baltimore; Leroy Woodland, Chicago, and Thomas H. West, Jr., St. Louis.

Missouri Banker Buys Park National

The Park National Bank, Forty-seventh Street and Troost Avenue, Kansas City, has been bought by W. M. Dyer of Grandview, Mo., from R. L. Beattie, president, and other stockholders. The capital stock is \$25,000 and the institution does a suburban and neighborhood business. A part of the stock has been resold by Mr. Dyer to George J. Eten, J. C. Holmes, U. R. Holmes, G. W. Strode, Eugene Lindsey, John D. Warnell, Stephen B. Slaughter and B. Z. Palmer. Slaughter was elected president and Dyer will be cashier. Mr. Dyer says the bank expects to erect a new building near the present banking room.

State Bank of Omaha Opened

The State Bank of Omaha was formally opened for business Monday, November 18th, at Seventeenth and Harney streets. The big building built expressly for this bank is named for it, and the banking rooms are magnificent. The counters and wainscoting are of striped Italian marble, while the base board, the customers' desks in the lobby, and the tellers' tables are of black Egyptian marble. While the bank has been doing business for about ten days, the formal opening was delayed on account of work on the finishings not having been completed. Albert L. Schrantz is the president of the institution. He was formerly manager of the Bennet store. Albert S. White is vice-president. He was formerly a banker in St. Louis, and J. L. Svoboda is cashier. Mr. Svoboda is interested in a number of Nebraska banks and has been state bank inspector. F.

M. High, assistant cashier, was formerly cashier of the Farmers and Merchants Bank of Wymore, Neb. The bank opens with a capital of \$300,000 and, being the only state bank in Omaha, is the only financial institution coming under the state bank guaranty law.

New Bank at Dallas, Texas

A new national bank is to be established in Dallas, Texas, within the next few weeks. Herbert W. Jester and John Cain Jester, who recently disposed of the Jester National Bank at Tyler, Texas, are to take up their residence in Dallas and with B. B. Cain and other financiers of Dallas, will organize the new bank. It will be one of the largest banks in the Southwest. L. L. Jester, father of Herbert W. and John Cain Jester, is one of the pioneer financiers of Texas, having established during the course of a long and active career such institutions as the Corsicana National, the Houston National, and the Tyler National, the latter becoming the Jester National. It is expected that full details of the new concern will be known within a few days.

Central West Notes

E. K. Smith, a prominent banker of Shreveport, La., is in a sanitarium at Texarkana, Tex., where he underwent an operation for appendicitis and is doing well. Mr. Smith formerly was president of the State National of Texarkana.

The annual election of officers of the Corn Belt National of Kansas City was held last week with the following selections: President, James L. Lombard; vice-president and cashier, A. E. Lombard; vice-president, J. P. Lombard, and assistant cashier, J. H. Chamberlain. These officers with John M. Byrne and H. L. McCune form the directorate.

Group 3, of the Kansas Bankers Association, elected C. A. Walker, chairman and Walter Newman, secretary of the group last week at the Coffeyville meeting.

F. S. Westfall, of Sapulpa, Ok., who was convicted of misappropriating the funds of the Creek County Bank and Trust Company a year ago and who was sentenced to serve a year in jail, has been granted a pardon by Governor Cruce.

The \$1,000,000 bond of State Treasurer Walter A. George of Nebraska, has been placed with the Lion Bonding and Surety Company of Omaha. This is the biggest official bond in the state and it will be underwritten by other companies. The premium paid by the state amounts to \$5,000 for the two years of the term.

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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The Oklahoma banking board has offered heavy rewards for the arrest of the gang of bank robbers that has been operating in that state for the past sixty days.

The Texas department of banking has designated the following reserve agents: For the American Bank and Trust Company of Sherman, the Guaranty State Bank and Trust Company of Dallas and the Seaboard National of New York; for the Austin County State of Bellville, the City National of Dallas; for the First State of Springtown, the Drivers National of New York and the Citizens National of Weatherford; for the Wichita State of Wichita Falls, the Traders National of Kansas City; for the First State of Tuscola, the Coleman National of Coleman; for the First State of Rio Grande City, the American National of Austin; for the Cushing State of Cushing, the National Bank of Commerce, Houston.

The Farmers State Bank of Justin, Denton County, Texas, has been organized with a capital stock of \$10,000.

R. C. Menefee, treasurer of the Commerce Trust Company of Kansas City, has been in Oklahoma on business the past week.

J. T. M. Johnston, president of the Reserve National of Kansas City, is in Texas on business.

The following visiting bankers were in Kansas City's financial district last week: Max Buchman, president of the American National of Alamosa, Col.; J. M. Williams, president of the Bank of Lamar, Col.; W. E. Brown, president of George W. Brown & Son's Bank, Augusta, Kas.; J. O. Janes, vice-president of the First State of Bovina, Tex.; W. H. Metcalf, cashier of the Citizens State, Foraker, Ok.; L. B. McBride, cashier of the First National of Nortonville, Kas.; Charles W. Miller, cashier of the Citizens State, Hays, Kas.; David N. Fink, president of the Commercial National, Muskogee, Ok.; B. B. Baylon, president of the Security National, Dewey, Ok.; W. R. McBride, president of the Night and Day Bank, Denver, Col.; S. W. Pearce, president of the Central National, Junction City, Kas.; R. A. Lower, cashier of the State Bank of Anarka, Kas.; J. F. Finley, cashier of the State Bank of Ottawa, Kas., and George R. Baker, assistant cashier of the National Bank of Commerce, St. Louis.

The First National of El Paso, Texas, has absorbed the American National of that city and has taken over the American National Bank building for a consideration of \$330,000.

About thirty-five bankers of Kansas City, comprising practically the same delegation that visited Kansas group meetings last week, left Kansas City last Tuesday night for another series of Kansas meetings.

John A. Prescott, of the John A. Prescott Company and H. P. Wright, of the H. P. Wright Investment Company of Kansas City, left last Tuesday night for New York where they will attend the national convention of the American Investment Bankers Association.

EXTEND MEMBERSHIP TIME

The Investment Bankers Association committee on membership has arranged to extend the time for granting charter membership until January 1, 1913, with dues at \$50. After that a \$100 fee will be charged.

INVESTMENT BANKERS CONVENTION

(Continued from page 1)

Address of Warren S. Hayden

Warren S. Hayden of Cleveland, speaking in regard to "Blue-Sky" laws and their relation to the investment banker, said:

"The object of such legislation, of course, is praiseworthy; but the difficulty is that any laws calculated to achieve that object must in some degree put limitations on those whose activities would never of themselves occasion legislation. This is true to some extent even if the law is drawn skilfully and with full knowledge of the investment business, but it is true to a highly embarrassing degree when, as can easily be the case, the law is drafted hurriedly by those unfamiliar with business conditions and methods.

"The interest of the investment banker is therefore vital, and for his own protection he will bestir himself if he is convinced that Blue-Sky legislation in some form is coming, and coming soon in states where he has business.

"In my own state of Ohio the legislature is almost sure to consider this subject this winter. I have heard of three bills now in preparation. I have a letter from a senator in Maine saying that he is about to write a blue sky bill. Similar activities are going on in Washington, Oregon, Nebraska and Indiana. Blue-Sky measures failed of passage last year in Massachusetts and Illinois, and, no doubt, will be reintroduced. Like legislation providing for utilities commissions, this is the sort of thing to spread rapidly from state to state. The imminence of a mass of this legislation so importantly affecting our business may be taken as beyond doubt, and this association is wise in having the matter promptly considered and acted upon by its appropriate committee.

"Any Blue-Sky law follows one of two theories, whose opposition in principle is as old as representative government, and is especially familiar to Americans in these times. These

opposing principles are paternalism and democracy. In the present application one would make government regulate business by passing in advance on the merits of concrete transactions—the other by punishing transgression of a prescribed general rule. This is old debating ground, and each member of this association no doubt has long since made his choice of sides. Some hold that individuals ought, as far as possible, to be deprived of opportunity to make mistakes; while others believe that to protect fools against their own folly is only to make more fools, and that opportunity to make mistakes of necessity accompanies opportunity for progress. This is not inconsistent with protecting people against professional liars. The distinction as applied to Blue-Sky legislation is between having government give citizens opportunity to get the facts, and having government determine for citizens the effect of the facts.

"In my opinion the Kansas law is of the paternalistic type. It is the only Blue-Sky law now in existence—except as general laws against fraud are Blue-Sky laws—and for this reason it is studied by all who are considering legislation of similar purpose. Blue-Sky acts in other states are exceedingly likely to be patterned after that in force in Kansas."

Mr. Hayden suggested that a proper committee of the association carefully study the whole subject and report its conclusion as to the appropriate type of legislation with its precedent reasoning, and that the results of the study be communicated to the entire membership.

Robert H. Reed of New York urged uniformity in laws governing municipal bonds, i. e., substantial uniformity; absolute uniformity was declared to be impracticable.

SUPERVISION BILL FOR ILLINOIS

(Continued from page 1)

printed before the situation narrowed down to the real issue.

The Chicago city council through its legislative committee will be found strongly advocating supervision. Its committee seems to favor a regulation of private banks as such, but later on expert evidence will show to all those now favoring that method the error of their ways. A number of states have attempted supervision of private banks and found it impracticable. Let Illinois follow in the footsteps of Wisconsin, Minnesota and other advanced republics and there can be no mistake. The short-cut plan to supervision without delay for referendum vote is by amendment of criminal code as set forth in an editorial in this issue of THE CHICAGO BANKER.

OLD EMPLOYEE OF UNION TRUST DIES

George E. Ortman, a paying teller for the Union Trust Company of Chicago, died at his home on Thursday of this week. Mr. Ortman was employed by the bank for twenty-three years.

CHICAGO CHAPTER HOLDS DANCE

Chicago Chapter, American Institute of Banking, held its first dance of the season at the drill hall, Masonic Temple, Friday evening.

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The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums, ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

H. W. Parker, Merchants National, secretary of the St. Paul Association of Credit Men, addressed the Minneapolis Office Men's Association Thursday night on "The Administration of Credits as a Career."

Tells Advantages of Farming in Northwest

L. W. Hill, chairman of the Great Northern, said that 79,000 Americans carrying \$110,000,000 of household furnishings and cash had gone to Canada the past five months to be permanent settlers. Joseph Chapman, chairman of the development committee of the Minneapolis Civic and Commerce Association, at the same meeting of northern line railroad men and development enthusiasts, outlined the advantages of farming in the Northwest and said: "I believe that if we make the American farmer realize he has the best soil and the best market in the country, we can stop this steady stream into Canada and build up our Northwestern states. It is patriotism to lend the cause of immigration to Minnesota and the Great Northwest every assistance." Mr. Chapman presided at the Thursday meeting of the conservation congress.

Provident Loan Society Reports

The Provident Loan Society, St. Paul, reported sixty-nine loans paid in October as compared with fifty in September and thirty in August. There was collected on the society's principal \$3,838, as compared with \$3,347 in September and \$3,796 in August. Seventy-two loans in October aggregated \$4,472, the largest total since May. From March 1, 1911, when the society was formed, to November 1st, \$42,000 has been loaned to 800 borrowers. Outstanding loans November 1st amounted to \$20,526, apportioned among 400 persons. The annual meeting will be December 26th.

St. Paul Bond Issue

For \$225,000 bonds St. Paul received a bid of less than par from Merrill, Oldham & Co.,

Boston. A. B. Leach & Co., Chicago, said they would negotiate for the bonds at less than par. The sinking fund committee spurned the bid and ignored the other offer. Par must be obtained for the bonds or the city may finance the projects otherwise. The issue includes \$150,000 for sewers, \$50,000 for parks and \$25,000 for playgrounds.

Increased Business for St. Paul

"Millions of dollars' worth of business that has heretofore been going to Minneapolis will now be brought to St. Paul," said the Dispatch, a daily newspaper, in connection with the announcement of the change of control of the Scandinavian American Bank, the merger of the National German American and the Merchants National and increase of the American National capital, with the outlook for a consolidation of the First and Second Nationals, and the Northwestern Trust.

That St. Paul has awakened financially with a start that shakes its corporate body is evident from the comments on the rapid succession of interesting details of bank changes. The Northwestern Trust stock was turned over last week to the First National and the transfer of the First to James J. Hill is expected January 1st. Mr. Hill said of the Merchants' deal that it is a splendid thing for St. Paul and that the latest merger, instead of being a lining up of forces against each other, means a strengthening of St. Paul's financial condition.

The Second National expects to have its increase of capital from \$200,000 to \$500,000, and surplus from \$100,000 to \$250,000 by January 1st. President Ben Baer said this is to take care of increasing business and that the recent changes will prove a good thing for business and the city generally. By the merger the bank expects to pick up country business and the loaning power will be greater. He continued: "St. Paul will now take the place in the financial world it should occupy. It is a mistake that these things were not done

years ago. Other cities have done this with much benefit."

President W. A. Miller of the First said the merger was good and will help things all around, as well as being an economical move. He said it is good banking and something from which there should be a good deal of benefit.

Scandinavian-American

The Scandinavian-American, which distributed its stock more widely through sale of 450 shares by President C. L. Alness, has deposits of \$1,432,209. Its assets are \$1,725,866. C. H. Biorn, who was elected director, is a well-known attorney. J. B. Jensen, the new vice-president, is to assist President Alness with his work. A. G. Hultgren, elected assistant cashier, has been with the bank twenty-three years. Mr. Alness organized the bank twenty-six years ago. It has paid all semi-annual dividends, and earned its \$100,000 surplus. The bid for stock is \$220 with book value of \$210. The bank plans more aggressive business.

First National

When J. J. Hill has obtained control of the remaining 25 per cent of the stock of the First National, it is expected he will retain the present official staff and that C. H. Buckley, cashier of the Second National, may be made assistant cashier of the First. This will leave E. H. Bailey president, W. A. Miller as vice-president, F. A. Neinhäuser as cashier and O. M. Nelson as assistant.

Million Dollar Trust Company

A \$1,000,000 trust company in connection with the Merchants' National is said to be a new angle in prospect for the banking situation. Frederick Weyerhaeuser, a stockholder, favors such a company. "\$1,000,000 capital will be small enough," said Mr. Weyerhaeuser, "but it cannot be definitely decided upon until the directors pass upon it. The recent bank sales and mergers will prove to

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

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be a big thing for St. Paul. The banks will be able to handle things in a bigger way. I expect to see one or more new banks start." When the new bank will be erected Mr. Weyerhaeuser said had not been determined. Tenants have leases until spring in the present building. Chairman G. H. Prince of the Merchants said he did not care to discuss the trust company feature and President D. S. Culver said it is a question of the future. That the capital of the Northwestern Trust Company is to be increased from \$200,000 to \$1,000,000 is said to be certain, or possibly more. President E. H. Bailey said the needs of the patrons of the First National and of the trust company will be taken care of and increases made as needed.

First National To Be Made Larger

Recurring to the First National, it is rumored that the bank will be made a \$5,000,000 institution when the new management takes charge. That is a capital of \$3,000,000 and surplus of \$2,000,000. After merging the Second and First, this will mean \$1,600,000 additional capital and \$600,000 surplus. "After Mr. Hill has completed his plans," says the St. Paul Dispatch, "the First National will be larger than the Northwestern National. Minneapolis, which has for years been the leader in the Northwest. It will far outstrip the First National and Security National Banks."

Northwest Banking Notes

L. C. Simons, president of the Twin City State, beside announcing a proposed new building, said this week that the bank will increase its capital from \$25,000 to \$50,000.

H. von der Weyer is said to be slated for cashier of the New Merchants National and Harry W. Parker, cashier of the Merchants, first assistant, or possibly a new vice-president. George E. Prince, chairman of the board, and President D. S. Culver will not discuss the situation.

The Belgium State Bank, Ozaukee county, Wisconsin, has been authorized with \$15,000 capital. Nic Hubing is president and F. J. Witmeyer cashier.

Fourteen Ramsey county banks have been reported as depositaries by the board of commissioners. About \$900,000 funds have been placed. The Merchants National took \$400,000; the First National, \$100,000; the Capital, \$100,000. Some of the small state banks take as small an amount as \$5,000. The interest is 2 per cent on balances.

E. J. Weiser, banker, was chosen treasurer of the North Dakota Fair Association at the meeting in Fargo.

The Scandinavian-American National closed one Saturday night looking as it has for years and opened Monday with an entirely new appearance, due to a birch balcony erected at the rear around the main bank vault. Simple in construction, it changes the appearance of the interior completely. The gallery will be utilized for working purposes. The wood was

milled, fitted and stained ready to erect, and when the bank closed the workmen jumped in and soon had the balcony in place.

Eugene M. Stevens, Stevens, Chapman & Co.; E. W. Decker, president of the Northwestern National, and Treasurer H. L. Moore, representing the Minnesota Loan and Trust Company; C. T. Jaffray, representing the Minneapolis Trust Company; and S. W. Wells, Wells, Dickey & Co., are attending the Investment Bankers Association meeting in New York City. Mr. Decker was there and the others left Chicago on the Twentieth Century special.

V. H. VanSlyke, president of the Metropolitan National, and S. H. Bezoier, assistant cashier of the Security National, were elected two of ten directors, for two years, of the Minneapolis Commercial Club, at the annual meeting Monday.

Earl Stearns, cashier of the State Bank of Ludden, S. D., is in Aberdeen for an appendicitis operation.

Bank clerks are busy just now getting ready for the Thanksgiving affray between the football teams of the Minneapolis and St. Paul clerks. The teams are not yet fully arranged,

so that all former college and high school athletes in the banking chapters of the two cities are on the uneasy seat, wondering where luck will strike. The game is to be played at 10 A. M. in Nicollet ball park, Minneapolis.

Bank to Erect Skyscraper

Merchants National Bank of St. Paul will erect a new bank building on the site of the National German-American Bank. The new structure will be a skyscraper and will cost \$1,600,000. The building will not be owned by the bank proper, but will be built by the stockholders of the new Merchants National. Each stockholder will be allowed to subscribe to the building fund an amount equal to 40 per cent of the stock held. It also is provided that a bond issue of \$800,000 can be issued to carry the project through. These are the two banks whose merger was announced last week. For the present the Merchants National will move to the National German-American Bank and its business will be carried on there. Before the two banks combine, each will sell its present building and the stockholders will buy the German-American. In its last statement to the comptroller the National German-American put its building in at \$250,000. This means that \$1,350,000 will be expended in the actual construction of the new building. The salvage from the German-American building will pay for its wrecking.

Merchants National Officers

The revised list of officers for the new Merchants National after the consolidation with the National German-American is given out as follows: Chairman, George H. Prince; president, D. S. Culver; vice-presidents, F. Weyerhaeuser, R. C. Lilly, H. von der Weyer; cashier, H. W. Parker; assistants, H. Van Vleck; G. C. Zenzius, J. A. Oace, L. Roy Knauft. Mr. Weyerhaeuser is the well-known lumberman; Mr. Lilly is assistant cashier at the Merchants National; Mr. von der Weyer is cashier of the National German-American, entering the bank as messenger in 1884. H. W. Parker, cashier since 1905 of the Merchants, arrived in St. Paul in 1892. Mr. Van Vleck was formerly cashier of the First National, Mandan, N. D., and went to St. Paul in 1890. Mr. Zenzius is assistant cashier at the German-American since 1907. He entered the bank in 1883. Mr. Oace was with the Scandinavian-American thirteen years, and three years national bank examiner in the Northwest. Mr. Knauft has been with the German-American sixteen years and assistant cashier since 1907.

DAUGHTER OF EX-COMPTROLLER MARRIED

Miss Eleanor Ridgely, daughter of former Comptroller of the Currency William B. Ridgely of Washington, and related to the Ridgely banking family at Springfield, Ill., was married November 22d at the home of her grandfather, Shelby M. Cullom in Washington, on which day Senator Cullom celebrated his eighty-third birthday anniversary.

NOTICE TO BIDDERS

\$150,000 Lawrence County, South Dakota, 5 per Cent Funding Bonds

Scaled proposals are hereby invited by Lawrence County, South Dakota, addressed to the undersigned, for the purchase of not exceeding \$150,000 5 per cent bonds. Bids will be opened by the Board of County Commissioners, at Deadwood, South Dakota, on Tuesday, December 17, 1912, at 10 o'clock A. M.

This issue was authorized by a vote of the electors of the County at the general election held November 5, 1912. The vote recorded in favor of the issue was 2755, against 1136.

The purpose of the issue is to fund the outstanding warrant indebtedness of the County which approximates \$150,000.

The bonds will be issued in denominations to suit the successful bidders, and will draw interest at 5 per cent per annum, payable semi-annually, and principal and interest payable at the Fourth National Bank of the City of New York, or at the office of the County Treasurer at Deadwood, South Dakota.

The bonds will run for twenty years with the option to redeem after ten years from their date.

A check certified by a reputable bank for two and one-half per cent of the amount of the bid must accompany each proposal, as an evidence of good faith.

The right is specially reserved to reject any or all bids and to accept any offer the Commissioners may consider to be for the best interests of the County.

Further particulars will be furnished by the undersigned on application.

NEAL C. HALL

Treasurer Lawrence County, South Dakota

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

Assets Over
\$16,000,000

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Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

THE TRANSIT DEPARTMENT AND BANKING RELATIONS

(Continued from page 15)

rency from one place to the other. Working on this theory, it will be agreed that a bank is entitled to exchange charges, or, in other words, exchange is justifiable.

We have said that exchange charges are theoretically determined by the shipping rate of currency. As a matter of actual fact, they are determined by competition. In a one-bank town the exchange charge is likely to be larger than in a town of two or three banks unless there is an agreement in force as to a common charge. An examination of the actual charges made by country banks shows a great many illogical conditions. You will frequently find that in the same county there is one bank remitting for items at \$1.00 per thousand, another in another town at ten cents per letter and still another, perhaps, at par. Probably the shipping rate for currency will be about the same for all the banks in that locality.

The only alternatives for a city bank to adopt in cases where exchange charges are unreasonable are either not to accept checks drawn on the town or bank in question or to collect them through the express companies. Neither one of these alternatives is satisfactory from the standpoint of service. You have probably all heard about cases of exorbitant exchange charges made by country banks who, perhaps, have no competition and will charge all the trade can bear. Probably the most satisfactory solution of the exchange problem comes through co-operation of banks in clearing houses. Clearing house rules regarding exchange charges for country items, if lived up to, help the member banks and also their customers. If all the banks in Baltimore, for instance, would adopt clearing house rules regarding the exchange on country items, you would find that the accounts of city customers would be received on a more profitable basis; and you would also find that your city customers would see to it that remittances were made to them from the country either in funds par in Baltimore or with the exchange added. If the country merchants, for example, were compelled either to buy drafts or remit plus exchange the charge or tax would rest where it belongs. Right there is the nub of this whole exchange problem. The man who makes the check should pay the exchange, if there is any, and not the customer that receives it or the bank that collects it. Our experience in Chicago has been that our big jobbers and manufacturers have either insisted on Chicago or New York drafts or else have allowed for the exchange when billing their customers.

In some cities the co-operative or clearing house idea is carried further. In Boston and Kansas City, for example, clearing houses are collecting the items on their territories through the clearing house. That is to say, all the banks in Boston, for instance, hand over and receive credit from the clearing house every day for their items on almost every town in New England, and one letter is sent out from this city to banks in each country town. This method saves labor and postage and also enables the city banks to obtain a low exchange cost for collection. Under this plan it is understood that if any city bank prefers to send its items direct to a town, by reason of having a correspondent there, it is at liberty to do so and thus voluntary action is maintained.

Some kind of co-operation is needful in order to properly regulate and control this matter of exchange charges. Old transit men tell us that the cost of collecting country items is becoming larger year by year, and country banks are forcing the city correspondents under stress of competition to more and more liberal terms. It is probably true that city banks are doing too much for their country correspondents in a great many cases and a very close analysis is necessary to determine that a reasonable profit is made on every account.

Transit Department and Bank Relations

As we have previously stated, the object of the transit department is to collect out-of-town items as cheaply, as safely and as quickly as possible. The officer in charge of bank relations in a city bank is not only supposed to see to it that these objects are accomplished but he can also increase his own bank's deposits if he will use his transit items as a lever for getting country bank balances. A country bank is glad to get items on their own town from city banks for two principal reasons: first, they can charge a profitable exchange on them and, second, it helps to maintain a credit balance in their settlement with competing banks. If a country bank has a volume of items drawn on their neighbor banks larger than their neighbor banks have on them, they will, of course, have a credit balance and they are in a position to dictate to the other banks how this credit balance shall be paid, whether by draft or in actual currency. It costs money to ship in currency, and on the other hand, the ruling rates of exchange may be such that it is more desirable to have currency than a draft on New York or other reserve city. Because of these two advantages, country banks as a rule are desirous of receiving items on their own town, and, as stated, a city bank can use this fact to advantage if they have the business to send. It should be worth while for every city bank to keep an analysis of their total sendings on every important town in their territory, together with exchange cost, so that they can know whether or not they are entitled to a balance. You will find that the opinion is generally held among transit men and city bankers that the cheapest way to collect items for themselves is with a comprehensive balance; that is to say, it would probably be cheaper for a bank in Baltimore, for instance, to collect all their western items through Chicago by maintaining a balance there and having the items credited at par, than to pay exchange for daily remittance without a balance. The reason for this condition is a human one. A balance looks attractive to a city bank and increases its totals.

Considering further this line of thought, we find that banks in reserve cities frequently maintain reciprocating balances; that is, a bank in Baltimore will keep an account in Chicago, collecting western business through their correspondent there, and the same bank in Chicago will maintain an account with the Baltimore institution, using the latter's services for the collection of their southern items. On the face of things, it would appear that the deposits of both institutions did not show a real increase, assuming for the sake of argument that the balances carried were of about the same amount. The arrangement is perfectly legitimate, however, and the deposits should be counted as reserve for both banks, if there is a

basis of service at each end; otherwise not.

Country bank business, generally speaking, is usually not as profitable as city business. Country banks are asking for more and more and the competition between banks in the same city and between different cities is very keen. No country bank's account is worth anything to a city bank unless it is a profitable one, even though the deposits of the city bank may be swelled by the balance carried. Every city bank should see to it that every country bank account is carried on a profitable basis, and I have yet to hear of a case where a country banker would not listen to argument or reason if a careful and scientific analysis of his account showed it to be losing money. A scientific profit and loss analysis is necessary and desirable for every city bank handling out-of-town accounts. A city bank with such an analysis department that gives its customers painstaking, careful service and that attends to the special demands of its country banker friends, as well as paying their drafts and receiving their deposits, should be able to increase its bank's business in a natural, satisfactory way and should show a reasonable profit when the figures are cast up.

NELSON N. LAMPERT EXPECTS WILSON TO MAKE GOOD

Nelson N. Lampert, vice-president of the Fort Dearborn National, says that he looks for an excellent administration from President-elect Wilson. He says that the country is very prosperous and that he does not believe tariff reductions can do any harm.

TO VOTE ON DECREASING NUMBER OF DIRECTORS

Stockholders of the Harris Trust and Savings Bank of this city will hold a special meeting on December 11th for the purpose of considering the question of decreasing the number of the bank's directors from twenty-five to eleven.

WILL SERVE ON FINANCE COMMITTEE OF K. P.

Thomas J. Carling of Macon, Ga., supreme chancellor Knights of Pythias, has reappointed W. G. Edens, assistant secretary of the Central Trust Company of Illinois, a member of the finance committee of the Supreme Lodge Knights of Pythias. Mr. Edens has served on this committee under the administrations of three supreme chancellors, being a member of the Supreme Lodge from Illinois.

NOT TO INCREASE CAPITAL STOCK

A rumor to the effect that the State Bank of Chicago contemplated increasing its capital stock from a million and a half to two millions has been denied by the officials of that institution. Another report which has been gaining currency was that the \$500,000 of new stock would be sold at \$200 per share. The directors of the bank take pride in the fact that its surplus has not been acquired through selling stock at a premium.

APPOINTED CHICAGO MANAGER

Jackson B. Sells has been appointed manager of the Chicago office of Jones & Baker, stock brokers, 39 South LaSalle Street.

Pacific Northwest Banking News

Spokane, Nov. 18th.—The pride of the orchard wealth of the Spokane country is on display this week at the fifth National Apple show, the largest in history. A total of 2,000 exhibitors are displaying 3,250,000 apples, representative of the greatest crop ever harvested, estimates placing the Pacific Northwest yield this year at more than 12,000 carloads. Sixteen carload displays of 630 boxes each, together with ten-box, five-box, one-box, and plate displays occupy a total floor space of 25,000 square feet.

The show was formally opened November 11th by Governor Marion E. Hay of Washington and Robert E. Strahorn, president of the exposition. Madame Johanna Gadske, world-famous soprano, sang at the opening ceremony, which was participated in by city officials and trustees of the Spokane Chamber of Commerce.

Improvements for Business Block

Improvements on a large scale will be made on a half block of property in the heart of the Spokane business district as the result of the taking of a 99-year lease on what is known as the Merriam site, by the Trustees Company of Spokane. The property is located at the southwest corner of First avenue and Howard streets, and is said to be worth approximately \$500,000. Harry A. Flood, manager of the Trustees Company, which already owns five buildings in this city, states that it has not been decided as to the nature of the building or buildings to be erected on the ground. The site now contains several one-story buildings, which will be removed in the near future. The lease calls for development of the property in a substantial manner.

Portland to Have New Hotel

Wallace, Idaho, and Moscow, Idaho, capitalists, well known in Spokane and the surrounding country, and prominent stockholders in the Exchange National and the Fidelity National Banks of this city, plan to build a 14-story hotel in Portland, Ore., in the near future. Those who are considering the project are Harry L. Day of Wallace; his brothers, Jerome H. Day of Moscow and Eugene Day of Wallace, and his brother-in-law, Edward Boyce of Portland, all owners in the Hercules mine at Burke, Idaho. They own the old Portland hotel at present, having secured possession about two years ago. The hostelry occupies a valuable site in the business section of the city. It is proposed to raze the Portland hotel to make room for the new one. Harry L. Day is one of the largest stockholders of the Exchange National Bank and Jerome H. Day is a stockholder of the Fidelity National Bank.

New Railroad

Farmers living near Colfax, Wash., and business men of that city have started a movement to build a railroad between two Oregon-Washington Railroad & Navigation company lines. The two lines proposed to be connected are thirty miles apart, one being the main line between Colfax and Endicott, the other a line on the Snake River between Lewiston and Riparia. The country affected is a rich grain-producing district.

Spokane Postal Savings Banks

Figures tabulated at the Spokane postoffice November 9th by Arthur G. Clouser, cashier of the postal savings bank department, show that Spokane people have \$53,535 on deposit. Of this amount but little was received by the branch postal savings banks in the suburbs.

Plan To Clear Cut-over Timber Lands

Action favoring a plan to secure clearing of cut-over timber lands by creating bonding districts and assessing the cost of improvements to land benefited, was taken at the annual convention of the Inland Empire Federation of Commercial Clubs in Spokane, November 11th. The convention voted to urge the next Washington Legislature to enact a law permitting the bonding system. About 1,000,000 acres of logged-off land in eastern Washington are affected. The federation elected the following officers: P. R. Parks, Colville, Wash., president; William Lippert, Colfax; Dr. E. White, Pasco, and I. M. Brown,

Walla Walla, vice-presidents; H. C. Wuerth, Spokane, secretary, and O. E. Moss, Fairfield, Wash., treasurer.

Banker a Sleight-of-Hand Man

So popular are the sleight-of-hand illusions of E. Vaughn Klein, assistant cashier of the Traders' National Bank, becoming that he was compelled to give an entertainment while on a business trip in Addy, Wash., this week.

Spokane Visitors

Among out-of-town bankers who were in Spokane this week were: H. G. Burns, cashier Exchange Bank, Reardon, Wash.; B. W. Hughes, cashier First National Bank, Medical Lake, Wash.; R. A. Bigelow, cashier Colfax State Bank, Colfax, Wash., and F. D. Rice, assistant cashier First National, Brewster, Wash.

WILL SELL IRRIGATION BONDS

Klamath Falls, Ore.—The election in the Bonanza Irrigation District resulted in 50 votes for and 11 against the bond issue of \$785,000. Under the rules of the U. S. Reclamation Service, 95 per cent of the private lands in any project must be subscribed before the work will be authorized. This has been the reason that it has been so difficult to start any project where the majority of land is held in private ownership. It is nearly impossible to secure the necessary subscriptions. As this proposed project is to be built under the state law and the bonds sold for the construction, the failure

of so large a percentage to vote in favor of the issue of bonds will probably not interfere with their issue. It is proposed to begin work next spring, if the bonds are sold.

NYE & ORMSBY BANK DECISION

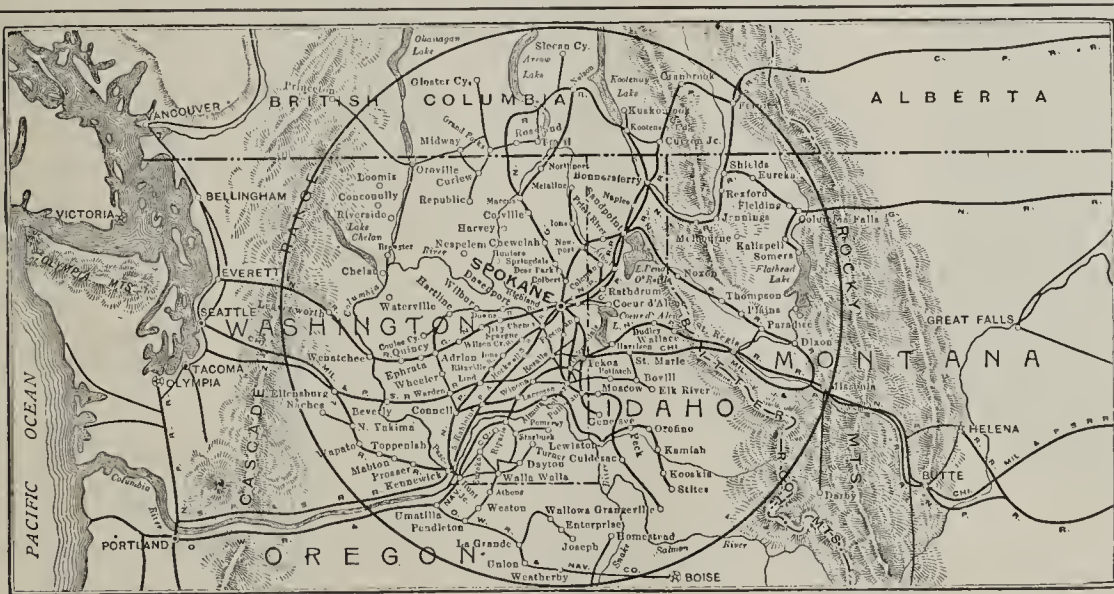
Carson, Nevada.—Judge Langan has handed down a decision holding that the Nye Ormsby County Bank is responsible for money deposited by County Treasurer Patterson of Ormsby county, this deposit being declared a preferred claim. Patterson is receiver of the bank. The sum includes \$19,477.61 of county money and \$3,358.75 of city money.

ELECTED TO BANK DIRECTORATE

Los Angeles.—James H. Adams, formerly head of the bond house of J. H. Adams & Co., now Torrance, Marshall & Co., has been elected to fill a vacancy in the board of directors of the Security Trust and Savings Bank.

NAT. BANK APPLICATION APPROVED

Washington.—Application to organize the First National Bank of Woodlake, Cal., with capital of \$25,000, has been approved by the Treasury department.



Collecting the Pacific Northwest

THE dense population of the INLAND EMPIRE, which creates much country exchange for eastern banks, is concentrated around Spokane, and such items can be collected through Spokane DIRECT. ☞ The Old National Bank of Spokane daily collects direct items for western correspondents which have passed through bank after bank on their route westward. ☞ Eastern and middle western bankers are invited to investigate the data prepared by the Old National Bank bearing on its perfected arrangements for serving them. We will cite actual cases where a week or ten days collection delay could have been eliminated. Ask for our new collection folder.

The Old National Bank OF SPOKANE

Capital One Million Dollars

Resources Ten Million Dollars

OFFICERS

T. J. HUMBIRD, Vice-President

D. W. TWOHY, President

W. D. VINCENT, Cashier

W. J. KOMMERS, Assistant Cashier

J. A. YEOMANS, Assistant Cashier

W. J. SMITHSON, Assistant Cashier

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
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Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED
As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

TO DISCUSS PROBLEMS OF RURAL SCHOOLS

At the annual meeting of the Southwestern Teachers Association to be held in Evansville, Ind., November 29th and 30th, P. P. Claxton, United States commissioner on education, will discuss some of the problems of rural schools. It is expected that from 1,200 to 1,500 teachers will attend the convention.

Des Moines, November 20th.—President Shade of the Iowa Bankers Association shortly will name the legislation committee for the association, so he has written Secretary P. W. Hall. The committee then will be summoned to meet in Des Moines, at which time a program will be formulated along the line of securing changes in the laws of the state which will prove of benefit to the bankers and which the latter believe they are entitled to enjoy. The law affecting bank taxation is one that will be discussed, and doubtless there will be some discussion relative to state supervision of private banks. The bankers probably will be a unit in backing a "Blue-Sky" law similar to that in effect in Kansas. In this connection it has been announced that J. N. Dolley, bank commissioner of Kansas, will speak to the Des Moines Bankers Club at the December meeting. He will discuss this statute, in which there is much interest in Iowa and which it is believed will be taken up favorably when the legislature meets.

Telephone Girl Thwarts Attempted Robbery

Secretary Hall believes that a medal should be awarded the night telephone girl at Alburnett. This young lady's attention was attracted when she heard yeggs dynamiting the vault in the Alburnett Savings one night recently. Although her telephone exchange board was in full view of the bank, she began industriously to call up the people of the city, only to find that the robbers had cut practically all of the wires. She managed, however, to get a connection with the cashier of the bank, who thought she was mistaken and told her so. Nevertheless the brave girl aroused the police at Cedar Rapids. She also awakened a farmer at the edge of the town, who drove to the home of the town marshal and got him up. By this time, the robbers became aware of the presence of the girl. One of them went up to her room, pointed a gun at her head and forced her to go to bed. But her mission was successful in driving away the yeggs, for they became suspicious and fled on a handcar just as two automobile loads of officers from Cedar Rapids appeared. Later one of the men, it is thought, was arrested at Cedar Rapids.

Forgers at Work

Letters admonishing the bankers of Iowa to be on the lookout for bogus bank drafts have been sent out by Secretary Hall from the headquarters of the I. B. A. in this city. The letter states that bank drafts bearing the names of the First National of Brooklyn, Iowa, and the Bank of Darlington, (Mo.) have been stolen from lithograph houses in this city. The warning also contains reference to one Howard Lewis alias Carl Terkfelt, who it appears has been forging numerous checks for \$14.70 and passing them upon merchants in various cities of Iowa. Counter checks of the First National at Mason City and the Des Moines National have been used. This fellow's method is to go into a store, purchase a

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

small amount of goods, tender a check for \$14.70, walk off with the change and leave the goods to be called for later. Secretary Hall states that he is notified of a forgery on an average of one a day. He warns bankers to be on their guard at all times.

Further Delay in Payment for Railway

Former Secretary of the Treasury Shaw has scored again in securing the "steenth" delay in the payment of the purchase price of the Atlantic North and South Railway. A syndicate of which he is representative bought the road at receivers' sale for \$400,000 and paid down a few thousand dollars. But the syndicate has failed to come across with the remainder. Several attempts of creditors to get the deal closed up have been balked and finally the case went to the supreme court. Mr. Shaw appeared in Des Moines and succeeded in getting still another thirty-day extension on the showing that the Balkan war has prevented the foreign capitalists back of him from paying the money. He stated, however, that a bank at Toronto has promised to back him. Ed S. Harlan, vice-president of the Iowa Trust and Savings at Atlantic, and receiver for the company, was an interested listener when the case was argued before the supreme court here.

Makes Donation For Hospital

Joseph Sartori, a pioneer resident of Cedar Falls, and father of President Sartori of the Security Trust and Savings at Los Angeles, has donated \$25,000 for a hospital to be erected in Cedar Falls and to be known as the Theresa Sartori Hospital. The son will give \$1,000 a year to the maintenance of the institution. The elder Sartori is very ill and his son has been at the bedside. Needless to say the people of Cedar Rapids are overjoyed at the bequest.

Black-hander Confesses

C. E. Osborne, arrested at West Liberty for alleged writing of black-hand letters, has confessed, according to stories which have reached Des Moines. Osborne blames a Muscatine loan shark for his downfall. He asserts that he got into this fellow's clutches and that in his effort to get out he was forced to resort to illegal means to secure funds. He had threatened several parties with violence if they

did not place certain specified amounts of money at designated places.

Keokuk Bank To Have New Building

The Security State at Keokuk has begun work on a new building, which it is claimed will be one of the handsomest in Iowa when it is completed. The bank has taken over two store rooms which will be thrown into one and completely made over. The front will be of white tile of semi-classic design, and modern and attractive in every way.

Plan to Improve State Organizations

Important plans for the mutual improvement of the various state organizations were discussed at a meeting of the secretaries of the associations of Iowa, Minnesota, the Dakotas, Nebraska and Wisconsin held at Minneapolis last week. Secretary Frost of Minnesota called the meeting and Secretary Hall of Iowa attended as representative of this state. He reports a satisfactory session.

Feel No Alarm at Result of Election

Many Iowa bankers have been giving out interviews to the newspapers relative to the effect the election of Wilson will have upon the financial situation. These have been uniformly of an optimistic tone. Iowa bankers feel that conditions in the Middle West are too stable to be disturbed by administration changes, particularly in view of the bumper crops this season. It is thought that the democrats may attempt some so-called progressive legislation, but that this will not be of an alarming or radical nature.

Supreme Court Decides Against "Ultra Vires" Doctrine

That a contractor who does work for a city or county has a right to his pay and cannot be beaten out of it by claims that contracts were made without authority, was held by the supreme court this morning in a case entitled First National Bank of Red Oaks vs. The City of Emmetsburg. The amount involved is not large but the case establishes a point in law upon which courts in the state have been holding at variance for several years. Shepherd and Hanrahan of Des Moines did a sewer job for the city of Emmetsburg and after completing the work asked for certificates in payment. These certificates had been promised to the Red Oak Bank as security and the bank brought the suit to recover. The point was raised that, while the city of Emmetsburg had had the work, and enjoyed the use of it, the contract originally had been made by the city fathers without authority. Judge Coyle of the Palo Alto Court sustained the contention of the city of Emmetsburg and an appeal was taken. This is the first time the question of great importance to contractors, has been before the supreme court. In brief, the higher court decides that the doctrine of "ultra vires" does not hold in such cases.

Iowa Banking Notes

Orris Mosher, a banker at Walnut, was candidate for congress from the Ninth Iowa district on the democratic ticket. Unfortunately for him, this was one of the few Iowa districts that did not go democratic.

A new bank at Mineola, to be known as the Mineola State, has filed articles with the secretary of state. It gives its capital stock as \$25,000.

The Farmers and Merchants State of Neola has started two suits in court at Council Bluffs on promissory notes, one for \$798 and the other for \$497.

Clearings for Des Moines banks for the week ending November 16th, increased \$596,000 over clearings for the corresponding week last year. Similar increases have been noted every week for months.

The Cedar Falls National has instituted a number of new safety deposit boxes, which were substituted for the old ones.

George W. Curtis, Jr., owner of a private bank at Ferguson, has been indicted by the grand jury in Marshall county on five counts alleging fraudulent banking and obtaining money by false pretences. It is alleged that he accepted money after he knew the institution was insolvent.

T. O. Hester has severed his connection with the Citizens State at Anthon to take charge of a new bank at Wakonda, S. D.

The Cushing Farmers Bank at Cushing is erecting a new structure and in the meantime is doing business in the city hall.

The State Bank at Newton has filed articles. The officers are Albert Johnson, president; C. O. Macy, vice-president; E. M. Cary, cashier.

The Maynard Savings at Maynard has increased its capital stock from \$18,000 to \$25,000.

The Commercial Savings at Farragut has increased its capital stock to \$20,000 and increased its surplus.

The Johnson County Savings at Iowa City is sending out cards showing its fine new six-story building, one of the finest bank buildings in the entire state.

An over-enthusiastic furnace in the Valley National Building, Des Moines, resulted in a call for the fire department, but no damage was done.

Sioux City

By JOHN J. BIDDISON.

A hint as to why the bank clearings of Sioux City this year have been running from 15 to 25% above those of a year ago, is contained in an announcement of what has been done in the way of building in the first ten months of 1912. While it is to be noted that last year was a poor business year generally and that there is a normal growth in business to add to the contrast, together with the admission of one more bank into the clearing house, it is asserted that the large amount of building, almost twice as much as last year, has been an added material factor. Building permits by the city engineer issued up to November 1st amounted to \$3,044,767, as compared with \$1,358,985 for the same period of 1911. There has been a phenomenal amount of residence building, but there still are far from being enough houses in town to supply the demand, and real estate men assert there is good money to be made by anyone who is willing to go extensively into the landlord business in Sioux City. Local people generally will not build to rent, for the reason, apparently, that once upon a time Sioux City had a boom and it broke. That was twenty-five years ago and more, and the city has changed in spirit and in fact since then, but the old bugaboo continues to throw a fright into some. Disastrous fires have also contributed not a little to the building record, for they have forced the construction of some handsome and costly structures to replace old buildings that everybody but the owners was willing to see go up in smoke. The fire losses this year, however, have been excessively great, and there is much alarm felt on that account. The total added value to the city obviously is not as great as the building record would seem to indicate.

Sioux Falls (S. D.) and Garretson (Minn.) banks will not be large losers by reason of the frauds perpetrated by Ed. Grundvald and Fred Knochenmus, professional swindlers who operated in that territory long enough to get cash on paper to the value of \$1,860 and an

automobile valued at \$1,600. A certain business man of Sioux Falls, however, whose name is being kept under cover, will have to put up \$1,500, the amount of a draft which he endorsed before it was honored by his bank.

The swindlers, when last heard from, were at Warren, Minn., and hitting the high places in leaving their pursuers behind them. They bargained with a Sioux Falls automobile dealer for a car and tendered a draft in payment. They wanted to drive the machine away with them, but the seller insisted on sending along a chauffeur to make certain of the genuineness of the draft before giving up the car. He was to take them to Hardwick, Minn., to interview officers of the bank from which the draft purported to come. At Warren they stopped for the night, and the swindlers in the night arose and endeavored to leave with the car. The chauffeur, however, had locked the magneto and retained the key, so the pair resumed their journey afoot.

The departure of more than 100 Greeks from Sioux City for the front has cut into the deposits of the local postal savings bank quite seriously, for the funds of foreigners make up the bulk of the money left with Uncle Samuel. The closing of large building operations also has worked to remove various foreign laborers from the city, taking their savings with them.

The fortieth anniversary of the founding of the First National Bank of Yankton, S. D., will be celebrated at Yankton on November 25th, with a banquet to which will be invited all the citizens of the town who have been residents there for forty years or more. F. L. Van Tassel, president of the bank, is himself one of the pioneers.

Peter McGinnis died at Montrose, S. D., lately. Other people have died also, but McGinnis was supposed to be wealthy, and all the folks were curious to know just how much he left. They have been disappointed, for whatever he left was in a buried sock or some other "safe" repository other than a bank, and all their searching has been in vain.

What will be known as the Martin State Bank has been organized at Martin, S. D., and will soon open for business. The officers are: President, C. S. Allen; vice-president, M. M. Cummins; cashier, T. C. Torrison. The capital stock is \$10,000.

Clyde Wilcox, formerly president of the Farmers & Merchants State Bank, of Bushnell, S. D., after spending the last two years in California, has returned to South Dakota and accepted the cashiership of the Platte State Bank, at Platte. He has purchased an interest in the institution.

CHICAGO'S VISTORS

Among those who called on Chicago bankers the past week was A. H. Rankin, cashier Sangamon Loan and Trust Company, Springfield, Ill.; C. F. Kuehnle, vice-president of the Bank of Denison (Ia.), called Saturday; C. H. McCormick, assistant cashier of the First National of San Francisco, spent several days in Chicago this week in the interests of his bank; A. G. Smith, president of the City National of Clinton, Ia., was here Monday; B. M. Mead, cashier of the City Trust and Savings of Peoria, visited Chicago Saturday.

BANKER'S SON HELPS WIN VICTORY

J. C. Van Riper, president of the American Trust Company of St. Louis, has a son who is one of the stars of the University of Wisconsin football team. The work of young Van Riper was a potential factor in the success of the Badgers in the game with Minnesota last Saturday.

GEORGE B. CALDWELL AT INVESTMENT BANKERS CONVENTION

(Continued from page 9)

The constructive work will cover a digest of laws of the various states governing the investment of savings banks, trust companies and trust funds, a list of the states and a copy of the statute governing public utility commissions; also a list of the states and copy of statute exempting municipals or other securities from taxation. This department shall assist in drafting any new laws or securing the passage of the same that are approved by the legislative committee.

"Get-rich-quick" Propositions

Every progressive move in history, to purify a condition has entertained first, a breaking down of the bad features that have existed, and second, a building up or a substitution of the good for the bad. We have been widely advertised as organized to fight "get-rich-quick" schemes. While this is a worthy object, it is, however, incidental to the field of usefulness we hope to occupy. Our bureau of investigation cannot be burdened with a corps of engineers, accountants and lawyers scouring the country seeking whom they may devour, simply because their standard of integrity does not equal ours,—nor have we funds at fifty dollars per year a member to carry on such a work. We are not expecting to publish a blacklist, nor to act in an advisory capacity on questions as to what the investor should or should not buy. No association of investment bankers would attempt so large a responsibility. The individual houses must continue to do this work. The farthest we can go is to first keep our membership of the highest character and our own skirts clean, and give such moral and active support to rooting out of the field the "get-rich-quick" schemes as our means of investigation may warrant. To accomplish this object, I recommend the use of the Pinkerton Detective Agency and co-operation with the United States Government officials and the press whenever a case comes to our attention that demands it.

Again, it should not be overlooked in this connection that many factors have contributed their share to making fraudulent promotion so general and so profitable as to become almost a national disgrace. Among them are the complication and diversity of laws of each of our forty-nine commonwealths; the laxity of our prosecuting authorities; the difficulty of proving "intent to defraud" under the federal statutes; the absence of any federal bureau of registration, or responsibility of state officials after a charter is issued, providing some supervision over security issues; and, the acceptance by many newspapers and some magazines of fraudulent and misleading advertisements. There is no doubt but that an awakening of the public conscience is bearing fruit, for already nine states have placed a "prospectus" law on their statute books, making false representations that effect stock or bond sales a misdemeanor, and two other states have a "Blue Sky Law," compelling corporations to register and submit a financial statement before they can sell their securities. These are strong indications of aroused public sentiment, which this association will analyze and aid, and in that way do for a time its most effective work.

If I read the sentiment of "the market" and the times, it is that there is an ever-increasing demand for broader information on all matters of finance. Investors are becoming less haphazard, more vigorous and self-reliant in the selection of their investments. Knowledge spells conservatism—conservatism in investment affairs is a national asset, for the wealth of the nation is increased by every wise investment and impaired by every foolish one.

Now that the sentiment which the press has created, likewise many of our members acting alone, is about to be crystallized and solidified into a permanent organization, of which we are the organized exponent, I shall hope by our united efforts in time to enhance greatly the value of all good American securities, both at home and abroad. This will, in my judgment, not only draw members of this association closer together—those within the fold would be in greater sympathy because each year they could see the association exerting a powerful influence for their benefit, while those without the fold would have before them an inspiration to do a legitimate business and become members, or suffer the dangers of exposure.

In this way, bond dealing, which has become a specialized form of banking, and a profession, will compare well ethically with those professions which demand a diploma from the aspirant for admission into the charmed circle of practitioners.

GEORGE WOODRUFF BEFORE CONSERVATION CONGRESS

(Continued from page 7)

original principal of the loan, and he would furthermore have saved all renewal commissions and expenses. Each of the semi-annual payments would be sufficiently small to enable the average farmer to borrow the amount necessary from his local banker if he should be temporarily out of funds when the payment came due; and furthermore, as the amount of each semi-annual payment would in no case exceed 2% of the value of the land, the farmer should practically always be able to make the payments out of the proceeds of the land itself. On any interest paying date, the farmer would be allowed to make partial payments of any amount or to pay off the entire amount due on his loan. Of course, partial payments would reduce the amount of the principal still due and consequently a smaller part of the semi-annual payments that follow would be required for interest and a larger part would be applied on the principal, so that the loan would be paid off before the expiration of the thirty years, thus saving additional money for the farmer. So much for the first point, that of amortization.

Now let us consider the second point, that of the restrictions around the bonds. The mortgage bank would obtain the capital to finance the farmer by the issue of its bonds, as is done by modern mortgage organizations throughout Europe. These bonds should pay around 5% interest, should be the direct obligation of the mortgage bank, and should be secured by the deposit of mortgages as collateral with a trustee to an amount in excess of the bonds outstanding. These bonds would then furnish for the American investor a new type of investment, combining the underlying security of the farm mortgage, the full liability of a bank under state or national supervision, and the advantage of a comparatively broad market. The restrictions which should be compulsory upon the bank should be those that have been worked out by the world's most successful mortgage banks, among which may be suggested the following:

(a) Each mortgage put up as collateral for bonds shall be a first and valid lien upon certain specified forms of real estate (as, for instance, farms and dwelling houses) located within the particular state or states the mortgage bank is organized to serve, which real estate shall be such as is available for the production of income.

(b) Each such mortgage shall be a first and valid lien upon the whole and undivided fee and upon no lesser estate, and the appraised value of the real estate securing any such mortgage shall be at least double the amount of the indebtedness secured thereby.

(c) Each such mortgage shall be such as is given to secure a principal indebtedness not ex-

ceeding in amount fifteen (15%) per cent of the capital and surplus of the bank. (This guarantees to the holders of the bonds that the mortgages held as collateral are diversified and of such sizes as to be readily salable.)

(d) All such mortgages upon real estate located in any one county shall not exceed in principal amount twenty (20%) per cent of the principal amount of all mortgages owned or pledged by the bank. (This guarantees to the holders of the bonds that the mortgages held as collateral will never be upon property located in any single district.)

(e) All such mortgages upon buildings in course of construction shall not exceed in principal amount ten (10%) per cent of the principal amount of all mortgages owned or pledged by the bank.

(f) All such mortgages on farm lands shall contain provisions for proper soil conservation. (This is a very necessary provision when loans are made for a long term of years.)

(g) All such mortgages shall contain provisions for annual or semiannual amortization payments. (This guarantees to the holders of the bonds that the security behind each mortgage held as collateral will be constantly growing larger.)

(h) The appraised value of the real estate securing any such mortgage shall not exceed the selling value of the same, and the appraised value shall be determined by two independent appraisals and shall be approved by the executive committee of the bank.

(i) The bank shall acquire no note secured by mortgage on any real estate in which any officer or director of the bank is interested either directly or indirectly.

(j) The proceeds of any loans made upon buildings in course of construction shall be retained by the bank and paid out only upon construction vouchers countersigned by a duly authorized agent of the bank.

(k) The bank shall acquire no real estate except to protect its interests in case any of the mortgages owned by it are foreclosed and the property therein described sold to pay the indebtedness secured thereby. All real estate so acquired shall be promptly sold.

(l) The aggregate amount of the principal of all bonds issued and outstanding at any one time shall not exceed fifteen times the amount of the capital and surplus of the bank.

Of course, the above suggested amortization table and the above suggested restrictions, together with the interest rate and the term of the loan, would vary in different localities and under differing conditions, but the general principles should remain the same. The profits to be earned by the mortgage bank should be satisfactory, owing to the fact that it could be so organized as to limit overhead expense to a comparatively small amount; and in addition to the part of the annuity which is paid to the bank to cover its expense and profits, it would make a considerable gain from the difference in the rate of interest which would be paid to it by the borrower and the rate of interest which it would pay on its bonds to the investor.

In America, we have about arrived at the point where the old wasteful pioneer days are to be supplanted by modern, efficient, intensive effort, and the farm mortgage field is one of the first that should feel the effects of reform.

SPEAKS TO RAILROAD MEN

David R. Forgan, president of the National City Bank, spoke at a dinner of the American Railway Guild at the Blackstone Hotel on Tuesday night. Mr. Forgan spoke briefly on currency reform. In speaking of credits of railroads he said:

"The credits of your railroads are vital to your properties, and by keeping your credits up you keep up your properties."

CONTINENTAL TRUST OF DENVER NOW REORGANIZED

Reorganization of the Continental Trust Company of Denver has been completed, William E. Hughes being elected to the presidency of that institution. Resignations of John W. Springer as president and L. M. Beck as treasurer were accepted. There will be no change in the other officers, which are as follows:

Allan F. Ayers, vice-president and secretary; J. Spencer, vice-president and trust officer; Paul B. Gaylord, vice-president; E. S. Harper, assistant treasurer; Ernest R. Stadler, assistant trust officer.

Although Mr. Springer is retiring from the presidency of the trust company, he still retains an interest in its affairs, being one of the largest stockholders.

Colonel Hughes was in Denver last week completing the transaction by which he purchased the controlling interest in the company from Mr. Springer, and left last Saturday for St. Louis, where he will remain, probably, until after the holidays. During his absence the general management of the affairs of the bank will devolve upon Mr. Ayers.

PROMINENT KENTUCKY BANKER RESIGNS

Some surprise was occasioned by an announcement recently made in Louisville financial circles to the effect that Arthur Y. Ford, for several years vice-president of the Columbia Trust Company and until recently cashier of the new Fidelity and Columbia Trust Company, had tendered his resignation to the executive committee and that the same had been accepted. It is said that Mr. Ford expects to accept a position with the Kentucky Wagon Manufacturing Company. Until a successor is appointed, J. F. Speed, the treasurer, likely will perform the duties of both offices.

GOOD ROADS ENTHUSIAST

R. R. Wallace, cashier of the First National at Hamilton, Ill., is a good roads enthusiast; he reports that the people on the west side of Hancock County are taking a lively interest in the matter of road improvement. They have built a boulevard along the new water level, from Hamilton to Nauvoo, Nauvoo being one of the historic towns of Illinois, with a population of 1,200. The building of a dam across the Mississippi River at Hamilton will raise the water in the river something like thirty-five feet at Hamilton and from twenty-five to thirty feet at Nauvoo, creating practically a still-water lake from Hamilton north as far as Burlington, Iowa. The water of this lake will overflow considerable of the old road up the river, and the builders of the improvement thought they were merely bound to replace that road, but instead of building a poor road such as the people have been using for years, they have gone to the other extreme and are building the best possible road, a magnificent boulevard along the new water level. This example of good road building has had the effect of stimulating interest in the matter of road improvement generally throughout this section of Illinois. This is just what the good roads advocates claim will come about if the principal roads in the different counties are improved by state and county aid and afterwards supported by the state; that it will stimulate the inhabitants to drag and improve the roads that run close to their own homes, or as Editor Miller of Ohio would say, "the roads which the farmer owns." What a magnificent opportunity the people of Peoria county possess to develop a stretch of boulevard along the Illinois River in front of their city. At present this road for a considerable period of the year is an impassable mudhole. It would seem that

Statesman Fitch and Editors Baldwin and Pindell, and other public-spirited citizens of Peoria could bring about the accomplishment of this enterprise if they set to it unitedly and aroused the public spirit of the people of Peoria and of Peoria county.

DECEASE OF ZANESVILLE, OHIO, BANKER

Zanesville, Ohio, Nov. 18th.—A few hours after he told a business associate that he expected to be at his desk in a few days, Conrad Stolzenbach, aged 76, millionaire president of the First National Bank, vice-president of the National Biscuit Company of New York, and a director in a number of local institutions, died suddenly of inflammation of the liver.

INDIANA BANK APPOINTED RECEIVER

The Peoples Trust and Savings Bank of Laporte, Ind., has been appointed receiver for the Laporte Carriage Company, in the federal court. John C. Richter was appointed receiver for the carriage company, several days ago, but was unable to serve.

DETROIT BANKS TO MERGE

Rumor has it that the Wayne Savings and Home Savings Banks of Detroit will merge their interests in the near future; that the new institution will have a capital of two millions and surplus of a like amount. The Wayne Savings opened for business in 1872 with a capital of \$100,000. Its present capital is a million and it has a surplus of \$1,300,000. The Home Savings was organized in 1889. It now has a capital of \$750,000 with surplus of a like amount. It is planned to increase the capital to a million, so that both banks may enter the combination on an equal footing. It is reported as probable that President Charles F. Collins of the Wayne Savings will be the head of the new bank and that Julius H. Haass, president of the Home Savings, will be the vice-president.

BANKER'S DAUGHTER SINGS AT THE LA SALLE

Mrs. Hannah Butler sang operatic selections from Wagner at the German Day meeting of the members of the Dorothy Meadows Drama Circle, at the LaSalle Hotel, Friday afternoon. Mrs. Butler is a daughter of Director Samuelson of the State Bank of Orien, Ill.

ILLINOIS HIGHWAY IMPROVEMENT ASSOCIATION TO MEET

Eugene Funk of the National Corn Growers Association, Bloomington, Ill., a director of the Illinois Highway Improvement Association, announces a meeting of the officers and directors of the latter organization to be held in Bloomington, Saturday afternoon and evening, November 30th. These gentlemen have been invited to come to Bloomington to meet the local McLean county road enthusiasts. It seems that some six miles of hard roads have been constructed in McLean County recently and much improvement of the wagon roads has been brought about as a result of systematic dragging. Inspection of these roads is to be made, if the weather permits.

W. A. BULLARD DEAD

Willard A. Bullard, a banker and capitalist, died this week in Cambridge, Mass. Mr. Bullard was president of the Harvard Trust Company, Riverdale Cotton Mills and Westpoint Manufacturing Company. He was a director of the Chattahoochee Valley Railroad of Georgia and of several southern cotton mills.

PRESIDENT OF AMERICAN BANKERS ASSOCIATION ENDORSES EDUCA- TIONAL PLAN OF A. I. B.

C. H. Huttig, president of the American Bankers Association, appreciates the value of the educational work which is being done by the American Institute of Banking, and in writing about it to B. W. Moser, president of the Institute, says:

"I am pleased to see that the Institute Section through its Correspondence Chapter is extending its educational work outside of city chapter classes. Young bankers in the country are as ambitious as anybody else to improve their professional knowledge and efficiency, and since the utility of correspondence instruction has been demonstrated by leading universities, I see no reason why the Correspondence Chapter, furnishing as it does the same facilities as are furnished to study classes in cities, should not have a membership of thousands instead of hundreds. Possibly the low price of \$10 at which each of the two parts of the study course is supplied to members of the American Bankers Association may in the minds of some persons reflect upon the character of the work. You might therefore explain that such nominal tuition fees are made possible only by the fact that the association has deemed it wise to assist the Institute financially. I trust that you will obtain at least one student in every institution throughout the country."

Through Institute work and by means of the Institute study courses to which Mr. Huttig refers, bank men are enabled to learn in a comparatively short time what it would take years to learn by experience, and it is confidently predicted that Mr. Huttig's letter of endorsement will influence many bankers and bank men throughout the country to take advantage of the educational opportunities offered by the American Institute of Banking.

CONSERVATION CONGRESS

D. C. Armstrong, president of the state bankers' association, presided at the Wednesday session of the conservation congress in the Minneapolis armory. Arthur Reynolds of Des Moines, vice-president of the A. B. A., talked on "How to Avoid a Money Trust." Chairman G. F. Orde of the bankers' reception committee; W. F. McLane, Hennepin County Savings; J. S. Pomeroy, Security National; H. A. Scriver, St. Anthony Falls; J. A. Latta, Northwestern National, and F. A. Gross, German-American, escorted Mr. Reynolds through the land show. George Woodruff, president of the Joliet First National, was a speaker, and Professor W. A. Scott, department of commerce, University of Wisconsin; also Joseph Chapman. J. W. Wheeler, Capital National, chairman of the agricultural committee for the bankers, presided at the afternoon session.

M'CRUM DEAL IS RATIFIED

New York, November 20th.—Sufficient assents of creditors and stockholders to the plan and agreement of reorganization of the McCrum-Howell Company having been received, the plan has been declared effective as of December 2d by the reorganization company. The balance due on subscription to the new shares subscribed for on form No. 1 has been called and must be paid by December 2d to the Bankers Trust Company of New York or to the Chicago Title and Trust Company of Chicago.

H. S. Jones, wealthy banker of McMinnville, Tenn., was found dead in bed in a hotel in Battle Creek, Mich., this week. He was prominent in financial circles in the South.

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\$50,000 BANK FOR CALIFORNIA

Washington, November 16th.—The comptroller of the currency has approved the application to convert the Sutter County Bank into the First National Bank of Yuba City, California; capital, \$50,000.

Wheeling, W. Va.—Mitchell and Stephenson have opened an office here for the purpose of dealing in investment securities.

COMPLAINS OF MILEAGE SYSTEM

Comrade James B. Perry, president of the Bank of McHenry, Ill., was a Chicago visitor Wednesday. Mr. Perry, while having had a successful career as a private banker since the organization of the bank in 1888, is not opposed to supervision and examination, and in all probability the bank some day will be incorporated. In speaking of the situation in McHenry county he calls attention to the fact that they have seventeen state and private banks in the county, and under the present state law, which provides for the payment of examiners on a mileage fee basis, it is manifestly unfair to some of the smaller banks that they be required to comply with this system. The average distance from Springfield to each of these banks is 240 miles. The law allows the examiner 8 cents a mile to and from Springfield, which amounts to \$38.40 mileage for each bank or \$652.80 for all the banks in McHenry county. In addition to this the examiner is allowed a fee of \$10 per day for each bank or a total of \$170. This added to the mileage fee makes a total cost of \$822.80 for the examination of the seventeen banks of the county. At the present time it is understood that the bank examiner who makes the McHenry county state bank examinations lives in or near Chicago, and the total expense of making the round trip from his place of residence to any one of the banks of McHenry county is \$10.

It long has been the opinion of many Illinois bankers, particularly those connected with the state association, that there should be some revision of the law in respect to the hardships which it works on the smaller state banks for excessive examination expenses, and undoubtedly the members of the legislature, when this subject is before them this winter, will give the item due consideration.

Mr. Perry, immediately after the war, when his service in a New Hampshire regiment had been finished, came to McHenry county because of other relatives who had preceded him. Shortly after locating there he became principal of the schools and later entered the general mercantile business. He later entered the banking business because of the needs of the community. At that time there was no agitation about examination, supervision or incorporation. His bank honestly endeavored to serve the community faithfully and efficiently, and because of advancing years, he and his partner now are considering the advisability of incorporation. There are scores of men who, like Mr. Perry, have rendered their communities a distinct public service in conducting their private banks, but the present agitation does not always take this into consideration and give credit where credit is due.

Los Angeles

The First National of Glendale is having plans prepared for its new bank building to be erected at corner of Broadway and Grand boulevard. The estimated cost is \$10,000.

For the first time in the history of Los Angeles the bank clearings for a single month have crossed the \$100,000,000 mark. October's clearings were no less than \$106,707,043.89—practically \$7,043,734 greater than in any previous month. The nearest approach to this figure was in May this year, when the clearings totaled \$99,653,310. The increase in the volume of the clearings last month over the same month in 1911 amounted to a little more than \$27,118,475, and the increase as against the same month in 1910 was a little in excess of \$37,655,220.35. For the ten months of this year ending with October the clearings aggregated \$950,717,123, and everything promises that the total for the year will be about \$1,250,000,000. The increase last month over September

this year totaled \$19,677,763. October has often been considered a comparatively dull month in business circles, but evidently the precedent does not hold good this year.

The California Savings Bank has taken over the unexpired lease of the German-American Savings Bank in the Hibernia building. Possession will be given in March, 1913, when the German-American will remove to the new Union Oil building.

Articles of incorporation have been filed for the East San Diego State Bank, to be located in Teralta. The incorporators have placed the capital stock at \$50,000, of which \$25,000 has been subscribed. The incorporators are: G. Aubrey Davidson, R. D. Spicer, P. Morse, P. V. Morgan, Robt. E. Brier, H. M. Holleman, and M. E. Sargent.

Martin Abernathy, formerly of Los Angeles, has been elected a director in the First National Bank of Claremont. Mr. Abernathy has extensive banking interests in the Middle West, and retired from active business some years ago. He has purchased a substantial interest in the Claremont institution.

ORGANIZE FELLOWSHIP CLUB

A large number of men associated with the Harris Trust and Savings Bank have organized a Fellowship Club, which has for its purpose social intercourse between the men of different departments in the bank. The first banquet and entertainment of the season will be given on November 20th at the University Club of Chicago.

BANK FOR DIVERNON, ILL.

Application to organize has been received for the First National of Divernon, Ill. Capital \$25,000. This bank is to succeed the Divernon Bank, Divernon, Ill.

CLEVELAND CHAPTER

By C. W. STANSBURY

Cleveland Chapter is proud of the fact that so far we have added 179 new members to our list. This is nearly 100 per cent increase and we have not stopped growing yet.

We are just completing arrangements for a minstrel show to be held by the Chapter in February or March next. The institute throughout the country has heard much about our last minstrel show, and we hope to make our next still more successful.

We have organized our law class for the coming year to study "Banking and Finance" under the able leadership of Attorney H. Melvin Roberts. The membership in this class was limited to fifty, but on November 12th, at its organization, the attendance was eighty-one. This class meets every Tuesday night at 6:45 in the Chapter rooms.

BIG MILWAUKEE LOAN

The largest loan ever recorded in Milwaukee's financial history was that made to the Continental and Commercial Bank of Chicago this week by the Northwestern Mutual Life Insurance Company. The \$6,000,000 loan at 4.45 per cent carrying for from twelve to fifteen years is only one of several large investments of the Milwaukee Company in Chicago and represents one-half of the \$12,000,000 investment of the Continental and Commercial's new twenty-one-story building. The loan is made with the option of retirement of the principal at the rate of \$100,000 a year, or in multiples thereof. The Continental and Commercial Safe Deposit Company will own and operate the building. The capital stock will be issued by it and all of the shares will be owned by the Continental and Commercial National Bank and carried in its investment account.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

THE TRIBUNE at this writing shows 702 favoring and 127 opposed to supervision, out of a total of 829. Mr. Harris had 988 direct yes or no card replies, in addition to about 100 letters; 606 of these cards were from organized bankers, all but 25 of whom favored supervision, and represented 62% of the organized members of the association. Privates to the number of 382 replied by card, representing 67% of the private banker members of the association; 165, or 43% of these favored supervision. The 988 card votes, exclusive of letters, show 746 for supervision and 242 against, so that the supervision idea is growing, according to the Tribune's poll.

READERS in Illinois will remember that at Peoria only 225 voted against supervision, so that 225 out of 1685 members put the association on record as opposed to supervision. In truth, the members of the association in Illinois have been misrepresented in times past by their executive council, which, like the Peoria convention, was packed to oppose supervision.

BANKING LAW JOURNAL, New York. has published a "Banking Law Digest—January, 1900, to July, 1912." Edited by John Edson Brady, member of the New York bar.

THIS is made up from the digest published monthly in the Journal, and with it, readers can be up to date, as reference will be made to it in the Journal hereafter. Three dollars per copy.

FLOYD SEYBOLT of Lincoln, Neb., is likely to get a bank examinership under Governor Moorehead when the spoils are distributed. It will be that or "something as good," says the capitol gossip.

C. W. BEERBROWER, secretary of Group 5, Virginia, reports a most successful meeting at Bristol, November 9th. J. B. Peery of Floyd was elected chairman. There was a banquet at the close of the session.

SIX books from Houghton Mifflin Company which were delayed were published November 23d. They are "Humanly Speaking," by Dr. Samuel McChord Crothers; "Italy in the Thirteenth Century," by Henry D. Sedgwick; "The Children's Reading," by Frances J. Olcott; "History of Plymouth Plantation," by William Bradford; "Boston, New and Old," by T. Russell Sullivan, with illustrations by Lester G. Hornby; "The Poems of Fred-eric and Mary Palmer."

WARE & LELAND, in reviewing "the situation," predict still lower prices before any substantial advance can occur.

SECRETARY F. H. COLBURN of the Californians didn't go back from Detroit, but lingered longingly and lovingly in the East. He's back home now and was greatly pleased at the cordial reception the California delegation met with all along the line.

W. O. JONES, poet laureate, etc., of the National Park, New York, has been elected a director of the Broadway Trust. He also acts on the local board of the Flatbush branch of the Broadway. Flatbush claims Mr. Jones as among her select citizens.

THE Minnesota conservation congress held at Minneapolis this week drew speakers of national prominence from all over the country and in fact the program presented would have done credit to a national organization.

ARTHUR REYNOLDS of Des Moines, vice-president of the American Bankers Association, addressed the delegates on "How May We Avoid a Money Trust?" Mr. Reynolds spoke for an hour and held the undi-

vided attention of the delegates. His solution of the question was a suggested depository where the wealth and resources of the country could be assembled and held for safety and convenience.

J. W. WHEELER of St. Paul was another of the speakers. He declared that the fate of the country now is in the hands of the tiller of the soil and that the aforesaid tiller must increase his pace in order to keep up with the growing population.

GEORGE F. ORDE of the First National, Minneapolis, was chairman of the committee on entertainment, a job which generally falls to him in Twin City banking affairs. It is recorded that he acquitted himself well.

JOSEPH CHAPMAN of the Northwestern National paid his respects to the "college high-brows" and argued in favor of a change in our educational system. Mr. Chapman shows by statistics that only two per cent of the youth of the country are educated as they should be educated.

GEORGE WOODRUFF, president of the First National at Joliet, reviewed his experience in investigating the farm mortgage loan institutions of Europe. His address will be found printed at length elsewhere in this edition.

JAMES J. HILL, one of the principal prime movers in favor of looking toward the development of agriculture in the Northwest, occupied the attention of the delegates with a carefully prepared review of farming and financial conditions and their reflex action upon prices.

MR. HILL maintains his standing position that the farmers of the country could add billions of dollars every year to the wealth of the nation and at the same time leave the soil better than they found it if their work was properly done. Mr. Hill believes that the rates on farm loans are too high, not because of a deficiency of farm credit, but owing chiefly to bad management of the industry itself. He thus absolved bankers from responsibility for a condition of things for which they are often held responsible.

MR. HILL struck hands with the college professors who were present and said that hereafter he wanted to be counted with them in their work. He had been recorded as

a great disbeliever in the utility of agricultural education in schools.

EDMOND D. FISHER, deputy comptroller of the city of New York and a former banker, spoke to the conservation congress on the money problem. He advocated a new system of credits for farmers.

THOSE who assisted in entertaining the visiting bankers and other delegates to the congress were W. F. McLane, J. S. Pomeroy, H. A. Sriver, J. A. Latta, Francis A. Gross, and George F. Orde who was chairman of the committee.

THE BOWMANVILLE NATIONAL located at the corner of Lincoln, Western and Lawrence Avenues, this city, has everything in readiness for their formal opening to-day (Saturday, November 23d). E. M. Heidkamp is president and Edwin A. Feldott, cashier.

THE new banking quarters are commodious and suitable for the purpose and it is believed that the neighborhood will support the institution in a way which will make it profitable to those who are conducting it. The officials were particularly careful in their announcement to state that the business of the new institution will be conducted under the supervision and inspection of the United States government.

THE Investment Bankers Association isn't the only yellow back in the safe. The brokers are organizing quite ambitiously and along fairly similar lines.

A CALL is being sent to brokers throughout the United States and Canada to attend the organization meeting of the proposed International Association of Brokers, which will be held either in Chicago or New York on February 20, 1913.

J. N. SECHREST of Buffalo is acting in the George B. Caldwell capacity to the new movement. Security dealers doing business on a capitalization of \$5,000 or over will be admitted to membership in the proposed organization, and the first 400 to send in membership applications will be enrolled as charter members.

SEVERAL thousand letters have been sent to the members of the profession and a large number of replies have been received. It is anticipated that 500 men, at last, will be at the opening meeting.

C. EDGAR ELLIOTT, who will be the Chicago representative of the consolidated Cincinnati and Indianapolis bond houses of Breed & Harrison and Jos. T. Elliott & Sons, under the firm name of Breed, Elliott & Harrison, is a live wire and well known to the members of the Indiana Bankers Association.

CASHIER.

NEW NATIONAL BANK OPENS

The Bowmanville National Bank will open for business November 23d in its quarters at Lincoln, Lawrence and Western Avenues. The capital is \$50,000 and the surplus \$10,000. The officers and directors are: President, E. M. Heidkamp; vice-presidents, R. N. Ballou and H. J. Dieden; cashier, Edwin A. Feldott; directors, J. C. Vaughan, J. P. O'Shaughnessy, Bernard Harrison and the president and vice-presidents.

The bank will have a savings department and a safety deposit vault.

Gates W. McGarrah, president of the Mechanics and Metals National Bank, New York, announces the purchase of the building at 50 Wall Street, to be occupied by the bank May 1st.

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Suite, parlor, 2 bedrooms and bath	- -	\$5.00-\$6.00
Each additional person in same room		\$1.00 extra.
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

NOVEMBER 30, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

JOHN J. MITCHELL RETURNS FROM EAST

John J. Mitchell, president of the Illinois Trust and Savings, returned last Saturday from New York and Boston. He said the consensus of opinion among European bankers who visited New York seems to be that the Balkan situation will not produce serious international complications. Eastern bankers regard our industrial situation as healthy and feel encouraged regarding the future. No alarm is felt at Governor Wilson's election and the belief is that tariff revision should be brought about as speedily as possible.

SEES NO MONEY STRINGENCY

J. B. Forgan, president of the First National of Chicago, said that the greater part of the demand for funds to finance the crop movement is over, and that he does not anticipate any stringency. The heavy drain on deposits has ceased. In a few weeks, funds will be pouring in and the banks again will be in an easy condition. He also emphasized the necessity of currency legislation, and said that the Aldrich act is inadequate and impracticable.

BANKS BID FOR CITY FUNDS

Funds of the city of Chicago, amounting to about twenty-one and one-half millions, will be distributed among sixty-nine banks during 1913. Most of the banks have submitted bids of $2\frac{1}{4}$ per cent interest for the money. Some, however, have bid $2\frac{1}{2}$ per cent, viz.: The State Bank and the Jefferson Park, Ravenswood, Irving Park and Bowmanville Nationals. The interest received by the city on its cash balances amounts to \$400,000 per year.

TO SELL LAND TO SATISFY JUDG- MENT

Master in Chancery H. A. Patton, Cheyenne, Wyo., has advertised 40,000 acres of land in Big Horn county, Wyo., for sale. The land is to be sold to satisfy a judgment obtained by the State Bank of Chicago in its suit against the Hanover Canal Company. The judgment amounts to \$226,338 and costs. The sale is set for January 9, 1913. Much of the land to be sold has been reclaimed.

SOUTHWEST STATE BANK

A permit has been issued by the state to Joseph F. Triska Louis Hott and John A. McCormick, to organize the Southwest State Bank of Chicago. The new institution will be capitalized at \$200,000.

TO CONSIDER INCREASING CAPITAL STOCK

A meeting of the board of stockholders of the North Side State Savings Bank of Chicago will be held on December 30th for the purpose of considering a proposition to increase the capital stock of the bank from \$50,000 to \$200,000. W. R. Dawes is president and Edwin F. Mack is vice-president.

Two Active Association Workers



W. J. PATTERSON
ABERDEEN, WASH.



BENJAMIN F. DAVIS
LANSING, MICH.

A conspicuous place among those who are engaged in active participation in affairs pertaining to state bankers' organizations is occupied by W. J. Patterson of Aberdeen, Washington, and Benjamin F. Davis of Lansing, Michigan. Each of these gentlemen is president of his state association and has been untiring in his efforts to conduct the organization along progressive lines.

BANKER ACTS AS INTERLOCUTOR

L. H. Grimme, cashier of the National City Bank, acted in the capacity of interlocutor at the minstrel show given by the Hamilton Club in Orchestra Hall, Tuesday evening.

JOHN J. MITCHELL ELECTED DIRECTOR

John J. Mitchell has been elected a director of the Chicago Telephone Company to fill the vacancy caused by the death of Arthur D. Wheeler.

H. B. HOWELL ELECTED VICE- PRESIDENT

H. B. Howell, for many years in charge of credits for the Carnegie Steel Company at Pittsburgh, has been elected vice-president of the National Bank of Commerce of New York, and will move to New York on January 1st.

As soon as a suitable location can be obtained the Minneapolis Stock Exchange expects to meet daily. E. T. Chapman, H. D. Thrall and A. W. Stevens were appointed to pass on new stocks to be listed. There are three seats left and a membership fee is \$250. Two applications are in for action.

ARREST ALLEGED EMBEZZLER

West Point, Ga., Nov. 29th—A man believed to be H. W. Parker, an official of the Bank of Commerce, Winnebago, Minn., said to be wanted for the alleged embezzlement of \$20,000, was arrested here to-day on the request of Winnebago authorities.

Parker is said to have disappeared from Winnebago last spring. The man arrested has been living in West Point since last June under the name of J. M. Long. He recently married a Georgia woman.

Local police state that an officer, en route to West Point from the Minnesota city, will attempt to identify the prisoner.

Kelsey Chase, state bank examiner for Minnesota, said Parker's shortage would reach about \$20,000. Parker disappeared April 27th, 1912, leaving a wife.

CHICAGO VISITORS

The following out-of-town bankers were in the city during the past week: N. F. Thompson, president Manufacturers National, Rockford, Ill.; T. K. Condit and R. H. Garm, respectively cashier of the First National and First State Banks of Beardstown, Ill.; John R. Mitchell, president of the Capital National, St. Paul, Minn.

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DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS					
GEORGE M. REYNOLDS	JOHN JAY ABBOTT	GEO. B. CALDWELL	CHARLES C. WILLSON	FRANK H. JONES	WM. P. KOPF
President	Vice-President	Vice-President	Cashier	Secretary	Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR FUTURE ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital and Surplus \$ 7,000,000
Resources, over - 50,000,000

OFFICERS

LEWIS E. PIERSON, Chairman Executive Committee			
ROLLIN P. GRANT - - - President			
JAMES E. NICHOLS	- - -	Vice-President	HARRY E. WARD - - - Cashier
WILLIS G. NASH	- - -	Vice-President	D. H. G. PENNY - - - Assistant Cashier
BENJ. F. WERNER	- - -	Vice-President	RICHARD J. FAUST, Jr., - Assistant Cashier
CHARLES H. IMHOFF	- - -	Vice-President	J. FRANKLYN BOUKER - Assistant Cashier
EMIL KLEIN	- - -	Vice-President	SAMUEL REDFERN - Assistant Cashier



MARINE NATIONAL BANK, BUFFALO, N.Y.

The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

CAPITAL AND SURPLUS EARNINGS, \$3,500,000

TOTAL RESOURCES, OVER \$36,000,000

ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, MERCANTILE FIRMS AND INDIVIDUALS INVITED

Mainly About Banks and Bankers

PRESIDENT HENRY M. CARPENTER, of the Monticello (Iowa) State Bank, was in Chicago over Saturday and Sunday. The big captain of the victorious Maroon eleven is his son. H. M. is very proud of the husky six-footer.

LEWIS B. FRANKLIN, vice-president of the Guaranty Trust, N. Y., made a big hit with the Investment Bankers by his banquet talk. He sees a useful field for the new association.

NOW you see where supervision might have helped. One of the private banks which allowed Kirby to "overdraw" \$10,000 has since incorporated.

G. F. EMERY of the Live Stock is sending out a folder on "Why Every Farmer Should be a Stockman." The real, blushing author is G. A. Ryther, and the points made are unanswerable. Copies may be had on request.

MR. RYTHUR shows a "world's shortage in live stock" beyond dispute. Also that there is a "grand opportunity for profit," which is to the point. Good dope for banks in agricultural districts to hand out liberally.

THE Daily Times of Davenport is doing fine publicity work by a series of cartoons, accompanied by a verse or two of explanation. The work is done under the caption "Some Local Celebrities."

LAST one was devoted to President A. F. Dawson of the First National. Shows him seated on top of his fine, six-story bank building, with appropriate labels telling of his virtues and accomplishments. The verse underneath says:

WHEN Dawson left congress and hustled back West

Everything went to smash!

The hens quit laying; the farmers quit haying,
The country prepared for a crash.

The Democrats won in a one-sided run

But everyone seems to feel

Tho' the nation is slumping, Davenport's
humping,

For Dawson is at the wheel.

SEVERAL bills to bring private banks under the supervision of the state are being prepared. They will come before the general assembly at its next session, and the best one should be passed.—Daily News.

THE new parcels post law goes into effect on January 1st, and while far from being all that the friends of the system hoped for, is a step in the right direction. The new law

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

WEST of Chicago, in the past ten years, new banks have increased 61 per cent. Population 54 per cent.

EAST of Chicago, in the past ten years, new banks have increased 15 per cent. Population 12½ per cent.

☐ If your business is increasing the new business of your bank, your field (the field of new accounts) is in the territory covered like a blanket by THE CHICAGO BANKER. The rest is obvious.

will doubtless be improved upon from time to time until the United States is on a par with European countries in this respect.

CHARLES G. GATES (Minneapolis) is stated to be in Panama to found a new American Bank in Colon, with at least a branch at this end of the Canal. Mrs. Gates is with him at the Tivoli.—Peru To-Day.

STATE BANKING COMMISSIONER EDWARD H. DOYLE of Michigan has sent out a note of warning to corporations whose officers make one kind of a sworn statement of the condition of their business at the end of the year to the secretary of state, and a different statement to their banker for the purpose of obtaining credit.

SECRETARY P. C. KAUFFMAN of the Washington association, has been very ill from inflammation of the heart covering. Better now, with prospects good for complete recovery.

THE Robbin testimony in the Carnegie Trust failure case, New York, reads very like the Kirby case, only the figures were larger.

CHRISTIAN ROPP was the first white child born in a large Illinois farming district southeast of Bloomington. This was

many years before there was a railroad in Illinois and at the time of the Civil War Mr. Ropp was a grown man.

HIS father and eight sons had cleared, almost entirely by their own labor, eight quarter sections of the best land, which still remains in the family.

CHRISTIAN, then a young man of twenty-one, hauled two loads of wheat to Bloomington for sale. Wheat was selling at war prices, and the two loads roundly came to \$100. Young Mr. Ropp accepted the figures of the grain dealer, but on his way home figured it over and found that he was about \$11 short.

THIS episode directed his attention to the necessity for a grain table of prices, weights and values for the use of farmers who were either too busy or not qualified to figure out the matter for themselves.

HE produced at once and had printed copies of a table which would give the value of any size load of grain at any price, and give the correct number of bushels according to weight.

A FEW years later he added a great many other tables, most of the work being done purely to benefit his fellow farmers. Then the agricultural papers began taking up his tables and called it "Ropp's Calculator," until now more than two millions of copies have been sold.

FULLY sixty years of Mr. Ropp's lifetime have been given to the Calculator, which now is a handy pocket volume and which contains tables giving prices and other statistics on grain, cotton, stock, merchandise, interest, trade discount, wages logs and lumber, and capacities such as showing the contents of granaries, corn cribs, wagon loads and so forth. It also has specific gravity tables, a perpetual calendar and miscellaneous tables covering wages, butter fat in milk, coins, freight bills and other interesting things.

THE Calculator has been used by bankers in Pennsylvania and in other eastern states with great success for distribution among farmers, merchants, shopmen and mechanics, prospective and actual customers of the bank.

TO almost any question which may arise on the farm, in the bank or factory, or in the store, it will give the answer as quickly as a watch will show the time. There are about twenty sections in one of these little volumes

(Continued on page 31)

**RESOURCES
OVER EIGHT
MILLION
DOLLARS**

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOCKETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

**CONVENIENT
EFFICIENT
COURTEOUS
SERVICE**

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. S. BISHOP, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President
DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
J. F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
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UNITED STATES DEPOSITARY

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LETTERS OF CREDIT ISSUED

Charles H. Wacker
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
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THE LIVE STOCK Exchange National BANK

WILL BE PLEASED TO WELCOME ITS
CUSTOMERS AND FRIENDS VISITING

The International Live Stock Exposition
NOV. 30 TO DEC. 7

**AT ITS OFFICES IN THE EXCHANGE BUILDING
UNION STOCK YARDS, CHICAGO**

Supervision Without Incorporation Will Be Failure

Position of The Chicago Banker on necessity for incorporation if state control is not to be a farce borne out by Banking Commissioner A. E. Kuolt of Wisconsin. Recent developments in the situation

The bank supervision movement in Illinois is becoming clarified by the persistent hammering of the dailies. By concerted effort something good for the public and not too onerous on the "banks" should come out of it. Legislators are hedging, intimating that they want to be seen and argued with in a legitimate way. Banks generally favor the idea, but the privates are resisting compulsory incorporation. On this branch of the subject, the testimony of Wisconsin, our nearest neighbor on the north, is very illuminating. Bank superintendent Kuolt, at Madison, commenting on the Illinois situation, said:

"Such a failure as that of the Kirby Bank in Chicago, would be impossible in Wisconsin to-day. Ten years ago private banking was abolished throughout the state."

Mr. Kuolt said also experience showed that supervision merely gave the private bank prestige without reaching evils.

"Illinois, in endeavoring to put private banks under state supervision, is years behind Wisconsin," said Mr. Kuolt. "Illinois will learn that supervision is ineffective unless the assets of a private bank are reserved to pay the claims of depositors first of all. The history of the abolition of the private bank in Wisconsin is interesting. Up to 1895, state banks of Wisconsin were operating under the general bank act of 1852.

"In the face of a constitutional provision forbidding the legislature to enact banking laws the general police powers inherent in the state were invoked, and in 1895 was passed a law creating the office of bank examiner, and providing for an examination of state and private banks. This was the extent of supervision. In the absence of restrictions on investments made by banks, and of any corrective measures, the supervision could not be efficient. As to private banks, supervision brought out the fact that, while the bank itself might be solvent, its owner, frequently engaged in other business, might be insolvent without such fact appearing on the books of the bank itself.

"Inasmuch as the bank assets were not segregated under the laws existing, and were not available to secure claims of depositors first of all, but on the contrary, all creditors of an insolvent private bank owner had a pro rata claim against the assets of the bank, it is manifest that the solvency of the private bank proper was entirely dependent on the solvency of the bank owner; that his solvency could not be determined from the examination of the bank alone, and the examination of his other business affairs was beyond the scope of the bank examiner. Briefly, the experiment with private bank supervision added unearned prestige to the bank. In 1902 the people of the state adopted an amendment to the constitu-

tion. The legislature was given power to enact a general banking law. A bill was presented in which the powers, rights and duties of the state banks were clearly defined and the banking department was created.

"In a separate chapter the bill provided for segregation of the assets belonging to the private bank from any other assets that private bank owner might possess, thus extending the much needed protection to private bank depositors. Moreover, the bill proposed that all restrictions governing state banks apply to private banks.

"At a public hearing before the committee of the legislature, 42 out of 148 private bank owners of Wisconsin were present and opposed the measure. It was then moved that the entire chapter pertaining to private banks be stricken out, thus leaving private banks to their fate without supervision. To this the private bankers present objected strenuously, realizing that with the withdrawal of supervision the halo theretofore enjoyed by them would vanish. Eventually the original bill was rewritten and adopted. It provided that only duly incorporated state banks and national banks might use the word 'bank' in their title. It provided also that existing private banks should incorporate on or before September 1, 1913, or remove from their sign the word 'bank.' It did away with private banking in Wisconsin effectually and forever."

William W. Hartigan of this city has given the matter close attention and holds that the "particulars of a recent bank failure in Chicago are being found out by Judge Landis in the federal court. The findings should be given great publicity, especially in the foreign sections of Chicago, because foreigners as a rule bank their money with their countrymen, who enjoy the benefits of lax banking laws in the state of Illinois. These banking laws are fostered and protected by certain members of the Illinois Bankers Association.

"It seems as though every real estate dealer, steamship agent and employment broker in the foreign section is a banker, and I am under the impression that any one who has a few hundred dollars can start a bank. Many of these bankers are petty politicians and they operate employment bureaus. I know that many of these bankers spend most of their time dabbled in ward politics and spend the balance

of their time trying to secure positions for their depositors with the railroads and large municipal corporations. Bank failures in the foreign sections are of common occurrence, and as they are mostly small banks, their failures do not attract much attention. Every time there is a bank failure, suffering follows, likewise suicides. These people lack faith in our splendid regulated banks. There should be a reform in the banking laws."

On the other hand, B. L. McFadden of Havana, Illinois, says: "One principal objection the private bankers of Illinois, numbering over 700 banks, make to the proposed supervision of private banks and the plan proposed by the Charles G. Dawes Committee is this: The Illinois banking law requires a minimum capitalization of \$25,000. In no state adjacent to Illinois or in the middle west is the capitalization so high as this. The following states have a minimum capitalization of \$5,000: Nebraska, North Dakota, South Dakota, Oklahoma. The following states require \$10,000 as a minimum: Iowa, Wisconsin, Kansas, Missouri, Minnesota. Ohio has \$12,500, and Kentucky and Michigan, \$15,000 each.

"Here are twelve strong arguments in themselves against the Dawes proposition, and they should be apparent to any committee engaged in framing a measure to bring the private banks of Illinois under state supervision. Notwithstanding Mr. Harris, there are plenty of small towns in Illinois needing banking facilities that could not support a \$25,000 bank. Although a state banker myself, I believe in being just to the private bankers."

The Kirby failure is "police" news from now on. The \$31,000 which Judge Landis appears to think is "depositors' money" in reality was obtained on bad checks from other none too careful banks. Where are the deposits? The money the "wire tappers" got came out of the other bank vaults and reveals another deplorable banking condition.

ADVOCATES "BLUE SKY" LAW

Willard Done, insurance commissioner for Utah, is of the opinion that every state in the Union should have a "Blue Sky" law, to prevent the sale of "wildcat" stocks. Mr. Done said that the insurance commissioners at their Seattle meeting last summer, formulated a law which is to be introduced in many legislatures this winter. The bill in Utah will provide that a commission consisting of the secretary of state, superintendent of banks and the insurance commissioner be appointed to pass on the stocks of all concerns offered for sale. It is said that a similar bill will be introduced in Minnesota by Insurance Commissioner J. A. O. Preus.

**Total
Resources
\$16,000,000**

**CITIZENS NATIONAL BANK
OF BALTIMORE**

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

Our Customers First

This accounts largely for our steady growth in customers and resources. Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00

HARRIS TRUST ADOPTS FINGER PRINT SYSTEM

Harris Trust and Savings Bank of Chicago has adopted the finger print system of identification of depositors. The bank already has a large collection of finger print signatures, and this week has given the system a hard, practical test. A number of the visitors were given souvenir postal cards bearing their finger prints. Duplicates of these prints, with the visitors' names, were kept by the bank. Later the visitors mailed their souvenir cards back with no additional identification marks on them, and in every case the bank was able to determine who mailed the card, and having identified the finger prints correctly, returned the cards to their owners.

STATE A PREFERRED CREDITOR

The New York court of appeals has decided that money of the state deposited in an institution which subsequently fails, is to be paid back in preference to the claims of the other depositors of the bank. This decision was rendered in the case of the Carnegie Trust Company, where the state had on deposit \$38,445 on account of the general fund and \$97,372 on account of the state canal fund. A surety company paid the general fund account, but there still is due to the state from the canal fund the sum of \$63,373. This must be paid before another dividend to creditors of the insolvent company can be declared by the banking department. It is said that Superintendent of Banks Van Tuyl offered to pay the state on the same basis as the individual creditors. A referee to whom the case was referred, decided that the state was not entitled to a preference. This ruling, however, was reversed in the appellate division and the court of appeals upheld the appellate division.

GEORGE B. CALDWELL RETURNS FROM NEW YORK

George B. Caldwell, vice-president of the Continental and Commercial Trust and Savings, has returned from New York, where the first convention of the Investment Bankers Association, at which he presided as president, was held last week. Mr. Caldwell said:

"The convention was very successful and was largely attended by all of the eastern houses and especially the New York firms. Those who attended the banquet said that it was one of the best ever held in New York City, equal to any and better than most of the banquets which they had attended there. The speeches were very good. Every courtesy was extended to us and we received more notoriety and a very much larger appreciation than we expected for so young an association."

NEW BANK IN PROCESS OF ORGANIZATION

It is rumored that a new bank, to be located in the Westminster building, Monroe and Dearborn Streets, is being formed by certain

financial interests. It is said that not much progress has been made by the promoters thus far.

MAY INCREASE DIVIDEND RATE

It has been rumored of late that the Continental and Commercial National contemplates increasing its dividend rate. George M. Reynolds stated there would be no change in the dividend to be paid January 1st. It is possible that the April quarterly payment may be increased to 3%, although the management is not in any way committed to the raise.

ENDORSES GOOD ROADS PLATFORM

The good roads committee of the Chicago Association of Commerce held a meeting on Tuesday of this week in the LaSalle Hotel, at which time the platform adopted by the Illinois Highway Improvement Association at its convention in Peoria last September was endorsed. The following members of the committee were present: Chairman W. G. Edens, Henry Paulman, John H. Hardin, John D. Shoop, H. S. Pettis, L. Wessels and J. C. Claire. President Eugene U. Kimbark of the Association of Commerce also was in attendance.

NEW YORK BANK PRESIDENT RESIGNS

At a recent meeting of the board of directors of the Lincoln National of New York, General Thomas L. James resigned as president and was made chairman of the board. Major Charles Elliott Warren, formerly vice-president, was elected as his successor.

Geographical Distribution

In purchasing railroad bonds the question of the territory served is of the utmost importance, for upon this depends the character of the traffic received and hence the revenue of the company. Diversity of traffic underlies a diversified investment. The larger the territory, the more diversified the traffic, and therefore the more stable the earning power.

We offer three railroad bonds, each well secured and in combination making a well-rounded investment, at prices to yield an average income of over 5¼%. The traffic of these roads is derived from three widely separated sections of the country.

Ask for Circular RB-924

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus	-	\$30,000,000.00
Deposits	-	\$189,000,000

BALTIMORE BANKS TO BE MERGED

The Merchants National and the National Mechanics of Baltimore are to merge their interests under the name of the Merchants and Mechanics National Bank, with capital of two millions and surplus of a like amount. Deposits will be between eighteen and nineteen millions. The total resources will aggregate about twenty-five millions and the consolidated institution will be the strongest bank in the South. The surplus of the new bank will equal its capital from the outset. The president will be Douglas H. Thomas, formerly president of the Merchants National; John B. Ramsay, formerly president of the National Mechanics, will be chairman of the board of directors. These two banks are the oldest and largest national banks in Baltimore. The National Mechanics was organized in 1806 and the Merchants National in 1835. It is said that the merger was brought about on account of the need in Baltimore of a large banking institution which can take part in the big financial operations that will result from the anticipated development of the South during the next few years.

A syndicate has been formed by Alexander Brown and Sons, who negotiated the consolidation, to take over all stock not assenting to the merger. The syndicate will take over the stock of those holders who do not assent to the merger for 30 for the National Mechanics stock and 226⅔ for Merchants National stock, the par value of the former being \$10 per share and of the latter \$100. A meeting of stockholders will be held December 28th, for the purpose of passing upon the recommendations of their boards of directors. The offices of the new institution will be those now occupied by the Merchants National.

JOHN W. GORBY REPORTS PROSPEROUS CONDITIONS

John W. Gorby of the Peoples Trust and Savings Bank of Chicago reports favorable conditions throughout the middle west. He says there is a good demand for money, which likely will continue for some time. Everybody is feeling happy and contented as a result of the bumper crops and is looking toward the future with a good deal of assurance. No alarm is felt as a result of the recent election, the consensus of opinion being that the change in administration at Washington will not have any bad effect upon business conditions.

TALKS ON TARIFF CHANGES

Bryon L. Smith, president of the Northern Trust Company, who has returned from a trip to New York says business men with whom he talked seemed to feel that it would be best to have, as soon as practicable, such tariff legislation as is to be enacted. Mr. Smith does not believe anything can be done to prevent at least two years of prosperity.



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

ENFIELD BANKS MERGE

The First National and the Farmers State Bank of Enfield, Ill., have consolidated under the name of the Farmers National Bank of Enfield, with a capital of \$30,000. The new institution will begin business the first of the year. J. E. Willis, one of the veteran bankers of southern Illinois, who was president of the First National, and A. E. Welsh, president of the State Bank, will both retire. Jas. M. Jordan, who for twenty-five years has been cashier of the First National, will be cashier of the new bank.

BANK OFFICIALS CHOSEN

The stockholders of the new bank at Amboy, Ill., held their first meeting last week and elected directors and officers. Geo. P. Miller, of Lee Center, was elected president; Fred Harch of Bradford, vice-president, and Ray Rariden, cashier. The bank will be ready for business in a few days.

RIVER AND HARBOR IMPROVEMENTS PROMISED

"We hope Congress will make the most liberal annual appropriation for rivers and harbors this year that ever has been made," said Representative Joseph E. Ransdell, senator-elect from Louisiana and president of the National Rivers and Harbors Congress, who reached Washington to-day.

"The needs of the country are so pressing I shall urge that the appropriations shall not be less than \$50,000,000, and we hope to have the rivers and harbors bill passed by the Christmas holidays."

This announcement by Mr. Ransdell is expected to bring out further strong support for a heavy appropriation bill this year. The rivers and harbors congress meets here next week, coincident with the opening of congress, and, backed by favorable planks in the democratic and republican platforms, an effort will be made to induce the democratic house of representatives to be unusually liberal with its appropriations for public works. Meantime committee staffs were working at the capitol to-day on the preliminary draft of the rivers and harbors and public buildings appropriations bills.

Charles L. Matthews was elected vice-chairman of the Philadelphia Stock Exchange, to fill the vacancy caused by the death of Henry W. Boureau.

DEMOCRATS SHY AT CURRENCY REFORM

No currency reform legislation will be attempted at the coming session of Congress, it was practically decided at an informal conference of the democratic members of the subcommittee of the house banking and currency committee, headed by Representative Glass of Virginia. "The committee probably will be unable to report anything like finished legislation to the house at this session," said Mr. Glass to-night. "No definite steps toward drawing a bill have been taken by the members of the committee, and no currency scheme has been evolved to fill the place of the Aldrich currency plan rejected by the committee following the specific declaration of the democratic national platform against the Aldrich plan."

URGES CHANGE IN BANK LAW

Salem, Ore.—Will Wright, superintendent of banks, has sent a letter to bankers throughout the state, urging the adoption of the proposed constitutional amendment which makes stockholders of banks liable to the amount of the par value of their stock in addition to the par value of such shares.

L. J. Groth, becomes assistant cashier of the Citizens State at Elgin, succeeding Miss Mae Benson, who retires.

A. B. HEPBURN HONORED

The government of France has conferred upon A. Barton Hepburn of New York, the appointment of Officer of the Legion of Honor in recognition of the part taken by the New York Chamber of Commerce in the reception to the French Champlain delegation which visited New York last May.

CALIFORNIA BANK

Local financiers are behind a project to establish a new bank in Corona, Cal., to be known as the Farmers and Merchants Bank. Mentioned in connection with the enterprise are L. A. Wyatt and M. W. Findley of Los Angeles. Plans for the institution contemplate a new 2-story building.

NEW BANK FOR CHAMPAIGN

A permit has been issued for the organization of a new bank at Champaign, Ill., to be known as the Illinois Trust and Savings Bank, with a capitalization of \$150,000. Virgil W. Johnson will be president; Walter W. Stern, vice-president, and Fred Collison, cashier.

Guaranty Club

The second annual meeting of The Guaranty Club, composed of officers and clerks of the Guaranty Trust Company of New York, was addressed by President A. J. Hemphill, and by Charles H. Sabin and William C. Potter, vice-presidents. Reports of the various standing committees, including the savings, entertainment, athletic, and library committees, indicated that the Club is in a very strong position. The following men were elected officers for the ensuing year: R. J. F. Allen, president, James Steel, vice-president, C. F. Bruder, Jr., treasurer, Ralph Dawson, secretary.

The Guaranty Club was organized nearly two years ago and has demonstrated the value of such an organization among the employees of a great corporation. It has a membership of over three hundred. Athletic meets, fellowship dinners, and debates make up a portion of the club's program, in addition to which successful base ball and bowling teams are maintained.

It is expected that the club will enter a still wider sphere of activity and usefulness when the Guaranty Trust Company occupies its new building, now being erected at the corner of Broadway and Liberty Streets.

J. HERBERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

free of charge upon request.

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NEW YORK STOCK EXCHANGE

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ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,337,000.00

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WASHINGTON LETTER

By R. A. ALBERTSEN

Washington, Nov. 29th.—Under Comptroller Murray all obtainable data on private banks has been assembled for comparison. An analysis shows that Illinois and New York lead all other states in the number of failures of private banks. For the fiscal year of 1911 five private banks in Illinois and six in New York closed their doors. The five in Illinois had \$195,500 assets and \$360,000 liabilities; the six in New York \$538,330 assets and \$980,690 liabilities.

Since these failures were reported New York has passed a law placing private banks under a form of regulation that is drastic in many respects. There were no failures of private banks in Massachusetts, California, Idaho, Kansas, Minnesota, Missouri, Nevada, Indiana, Rhode Island, and South Dakota, which states impose various kinds of regulation on these institutions.

There were two failures in Alabama, one in Montana, and one in Texas, although these states have special laws governing private banks. Failures in other states having practically no supervision of private banks were one each in Iowa, Michigan, Utah, and Virginia and three in Pennsylvania.

How They Do It in New York

The recently erected New York statute makes a distinction between individual bankers and private bankers. Individual bankers come under the supervision of the superintendent of banks in the same manner as incorporated banks and are subject to all of the provisions of the banking laws, examinations, etc.

Private banking, as such, is only authorized in cities of the first class. A license is issued by the comptroller of the city, the applicant depositing \$5,000 if he is engaged only in the business of

receiving money for transmission to another, and \$10,000 if he is to receive deposits.

How Other States Regulate Privates

Private bankers are placed under the supervision of the state banking departments and made subject to all the provisions of state banking laws, as far as applicable, by the laws of Alabama, California, Idaho, Kansas, Minnesota, Missouri, and Nevada. There are special laws governing private banks in Indiana and Montana. Private banking is forbidden by the law of Nebraska.

Rhode Island forbids the use of any words indicating that it is a bank to all except banks incorporated under the laws of that state. South Dakota makes it unlawful for any one to advertise that he is engaged in the business of banking without first obtaining authority from the public examiner. Texas permits private banking, but requires the private banker to use the word "unincorporated" after the title of the bank.

In Illinois 259 private banks reported capital stock \$5,860,813, surplus \$2,615,750, and deposits \$35,634,663. The previous year 246 Illinois private banks reported capital \$5,134,178, surplus \$1,386,742, and deposits \$31,893,713.

To Regulate Water Powers

Because of the rapidity with which the remaining public water powers of the United States are

passing under private control President Taft in a forthcoming message to congress will urgently recommend the enactment of legislation enabling federal regulation of this important national resource.

The president and Secretary of the Interior Fisher will give their approval to a plan evolved by Senator Burton of Ohio contemplating the adoption of the lease system with reference to water sites upon public lands. The lease will have a duration of fifty years and will be irrevocable except in case of violation of its terms or in case congress finds revocation necessary in the interest of navigation.

It will provide for prompt development and continuous operation of the water power, for a reasonable rate of rental for the valuation and compensation for the physical properties upon the termination of the lease, for the control of capitalization and bonded indebtedness of the companies obtaining leases, and for full reports covering items of cost, rates of service, and profits.

The Farmer and the Automobile

A Southern M. C. says that at a good roads convention in Atlanta a speaker said:

"There are many farmers who are opposed to smooth and level roads through their sections because they know the better the roads the faster the machines will run. The roads were intended for all—the man in the ox-cart as well as the man in the auto—and they don't believe they ought to be chased into the ditch in order to get out of the way of the speed devils."

This state of affairs applies only to parts of the country where the farmers don't have automobiles—if there are any such.

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United States Depository



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Surplus and Profits,	700,000	
Deposits	-	31,000,000

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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Springfield (Ill.) Correspondence

That business in Springfield during the last year has shown a marked increase over that of 1911, may well be shown in the comparison of the bank clearings for the twelve months of 1911 and the eleven months that have closed this year. With a month left to be completed before the first of next year, the comparative clearings indicate that between \$5,000,000 and \$10,000,000 more business will be done this year than during the last one. According to figures compiled by Albert H. Kerns, clerk of the Springfield clearing house, the total amount of clearings for 1911 were \$53,945,224.73. From January 1, 1912, to November 13th, the total clearings this year were \$52,235,539.09 or only \$1,709,684.74 below the total figures for the twelve months last year. It is estimated that the clearings this month will run above \$4,000,000. Then if they run to \$5,000,000 in December, it will place the total for 1912 at over \$60,000,000, about \$7,000,000 in excess of what they amounted to last year.

E. E. Crabtree Speaks on Banking at High School

E. E. Crabtree of the banking firm of F. G. Farrell & Co., Jacksonville, addressed the students of the high school last week, on "Banking," particularly as a vocation into which high school students can enter. Mr. Crabtree said that the man with the high school education has a better qualification for banking than the man without, other circumstances being equal. He advised all those

who contemplated banking to finish their high school courses and to get as much other education as possible.

To Increase Capital Stock

At a special meeting of the stockholders of the Canton National, held on Wednesday of last week, it was decided by unanimous vote to increase the capital stock from \$100,000 to \$125,000, to take effect January 1, 1913. By this increase two hundred fifty new shares of stock are issued and these have all been placed among business men and farmers in the vicinity of Canton. The shares are of \$100 par value and sell at \$250 each, the premium going into the surplus fund, which is thus increased to about an equal sum as the capital stock. The stock will pay twelve per cent dividends from January 1, 1913. The sale of the new stock issue about doubles the number of stockholders of the bank, the flourishing condition of which is a matter of pride to all concerned.

Celebrates Sixtieth Anniversary

The State Bank of Rock Island observed its sixtieth anniversary on Thursday of last week. The bank was founded November 21, 1852, by Cook & Sargent of Davenport, and was managed as a branch of the Davenport bank by J. M. Parker. Later Mitchell & Cable purchased the banking business and still later the firm of Mitchell & Lynde came into possession. For the greater part of its existence, the bank was a national institution. In 1905 it became the State Bank of Rock Island. Phil Mitchell is president; I. S. White, vice-president; K. T. Anderson, cashier, and C. F. Channon, assistant cashier. The capital stock is \$200,000; surplus, \$100,000, and deposits in the savings department, \$1,284,321. The home

of the bank has been recently remodeled. There are but two banks in the state which antedate the State Bank of Rock Island.

New Moline Bank

Official announcement has been made that the new Commercial Savings Bank of Moline will open for business December 2d. The new institution is the first bank on the bluffs and will prove a great convenience to the residents living on the hill. The officers are well-known Moline citizens. John Weckel, is president; J. A. Schmidt, vice-president, and Reynold Johnson, cashier. The bank is capitalized at \$100,000 and will be under state supervision.

Two Banks Licensed

The Pinkerton Exchange Bank at Hanna City, in which a number of Peorians are interested, has been granted a permit by the state auditor of public accounts to organize a state bank. The new institution will be operated under the name of the Hanna City State Bank. The papers were issued to Harry B. Pinkerton, head of the Hanna City institution; Delbert A. Covey, and Edwin V. Champion of Peoria. The capital stock will be \$25,000.

A permit also was issued to J. W. Wchenker, Joseph C. Burtschi, and Ira D. Lakin for the organization of the Commercial Bank of Vandalia, with a capital stock of \$30,000 and a charter tenure of twenty-five years.

ELECTED CASHIER OF BANK

Ernest E. Herrell has been elected cashier of the Central Manufacturing District Bank, which recently opened for business in Chicago.



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Probably three-fourths of the corn crop has been taken out of the fields, and while there is a good crop reported from all parts of the state, yet the average yield in many localities is about ten bushels per acre less than what was expected. This statement does not indicate evil tendencies financially, yet the crop will be somewhat shorter than was anticipated. The quality is reported good, yet there was danger of corn rotting during the warm days of middle November. It is said that farmers are cribbing a much larger per cent of corn than usual, being unwilling to accept the lower scale of prices. Grain elevators in many cases are full, some refusing to accept any more corn, while the grain car famine is heard everywhere "with no immediate prospect of relief."

Change in Peoria Banks

Edward C. Leisy has sold his stock and resigned his directorship in the Merchants National of Peoria and has been elected a director of the State Trust and Savings Bank of the same city, to fill the unexpired time of his late brother, Albert C. Leisy. E. C. Leisy has been a prominent financier of Peoria, is credited with the erection of the Jefferson office building, aided in the erection of the Jefferson Hotel, erected the Orpheum Theatre, where the sessions of the recent Illinois Bankers Association convention were held, and has since purchased the Majestic Theatre.

Regarding the State Trust and Savings Bank the Peoria Star recently said, "The bank has been remarkably successful under the management of Ed Strauss and Berne Mead, and this addition to its directory puts it in the first rank of Peoria's financial institutions. At the same meeting of the directors W. M. Gish was elected assistant cashier to succeed W. F. Shanemeyer, who has recently entered business for himself. Mr. Gish has been for five years head teller in the bank."

Miller Interests University Audiences

Herbert F. Miller, business manager of the Chicago Association of Commerce, interested an audience of University of Illinois business students last Friday afternoon when he outlined not only the work of the Chicago association, but spoke also of the other great as-

sociations of the nation. He urged the young men to prepare themselves to act as secretaries of chambers of commerce and of other civic bodies.

Mr. Miller was also invited to address the high school teachers of the state, who were in session at the university in annual conference, on some principles of commercial education in the high schools of the state. He struck a good blow for the preparation of business men by the high schools and added another good word for vocational education now being urged by various bankers' associations.

While in the University community he was entertained at a luncheon at the home of Dean David Kinley, professor of economics and director of the commerce courses in the institution. Other guests at the luncheon were Dean Walter Hotchkiss of Northwestern University; David Felmley, president of the Illinois State Normal University at Normal; H. S. Capron, cashier of the First National of Champaign, and C. A. Kiler, a Champaign business man, good roads advocate and a director of the Illinois Highway Improvement Association.

Shuman for Comptroller

Irving Shuman, cashier of the First National of Sullivan, former chairman of Group 7 of the Illinois Bankers Association and a member of its committee on agriculture and vocational education, has been mentioned by many papers throughout the state as a probable comptroller of the currency under President-elect Woodrow Wilson. While there are

scores of rumors about probable appointments, this one is of especial interest to Illinois bankers. Mr. Shuman has been a prominent Wilson worker for many months, and is said to have been "one of the original Wilson men." He urged Wilson's nomination when it seemed useless, and early urged the nomination of Governor-elect Dunne. Mr. Shuman has spent the fall at the democratic headquarters in Chicago as a confidential adviser to Joseph E. Davies, the western democratic manager. Other comptrollers of the currency who have come from Illinois or who have since lived in the state, have been Edward S. Lacey, of the Continental and Commercial National of Chicago; Charles G. Dawes, now president of the Central Trust Company of Chicago; William B. Ridgeley, formerly of the Ridgeley National of Springfield; James H. Eckles, now deceased, and Lawrence O. Murray, the present incumbent.

Good Roads Committee Has Bill

The committee on good roads appointed by the last general assembly has prepared a bill which will be submitted to the next session of the legislature. The bill will include state supervision and aid in the building of hard roads. Engineers will be named for each county to work under the direction of the state engineer. The number of highway commissioners in each township will be reduced

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ESTABLISHED 1882

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from three to one. The county roads will be built with money appropriated out of the good roads fund.

New Boat Line Organized at Peoria

A new steamboat line with capital stock of \$500,000, organized under the laws of Delaware, has been announced at Peoria at a luncheon held at the Creve Coeur Club in honor of E. S. Conway of Chicago. The matter has been under headway for some time and Peoria business men are greatly interested in the project. Enough stock has been subscribed to buy one boat and to start business immediately.

Peoria is expecting some large things in a commercial way with the completion of the Panama Canal, and with a deep waterway through the Illinois river the city will become one of the most important shipping points in the Middle West. It is planned now to run boats from LaSalle to New Orleans and later, if the deep waterways idea is followed out, from Chicago to the Gulf. Everything in the nature of water transportation, in the way of warehouses, storing, teaming, etc., are embraced in the charter. Mr. Conway is a former president of the Chicago Association of Commerce and is now president of the Kimball Piano Company. The company will be known as the Chicago, Peoria and New Orleans Transportation Company. There are plans for securing 1,300 feet additional river frontage for warehouse and wharf purposes, and there is every indication that the river trade will be revived. Peoria bankers and business men are deeply interested in adding terminal features, both rail and river, to their commercial facilities.

Needles Prominent Odd Fellow

Thomas B. Needles, president of the First National of Nashville, and well known to bankers in southern Illinois and throughout the state, was elected grand treasurer of the grand lodge of Illinois Odd Fellows at their recent state assembly held in Peoria. Mr. Needles has been an Odd Fellow for fifty-five years and is one of the most prominent members of the order in the state. He has been grand treasurer before and has also been treasurer of the state of Illinois.

University Makes Agricultural Exhibits

The University of Illinois has taken great interest in the National Land Show now being

held in the Coliseum in Chicago with the result that large exhibits have been arranged there with competent lecturers in charge to explain them. The University will also make exhibitions at the International Live Stock Show to be held at the Union Stock Yards of Chicago, November 30th to December 8th.

New State Bank at Avon

The State Bank of Avon, near Galesburg, will soon be opened for business, as the capital stock for the new institution has been subscribed. George Sailer will be the president, A. E. Hatch, vice-president and H. F. Townsend, cashier.

Goddard and Curtiss at Masonic Function

Leroy A. Goddard, president of the State Bank of Chicago, and George W. Curtiss, president of the Dime Savings and Trust Company of Peoria, were among the thirty-third degree Masons who attended the sixth semi-annual reunion and the consecration of the apartments of the bodies of the Ancient and Accepted Scottish Rite Freemasonry and the installation of the officers of the Springfield Consistory. Illustrious Leroy A. Goddard, 33, is an active member of the supreme council and Illustrious George W. Curtiss, 33, is Most Wise Master of Peoria Chapter, Rose Croix. The event, which "was a red-letter day of the Masonic order in Springfield," witnessed the

assembly of the largest number of thirty-third degree Masons ever held in that city.

Illinois Notes

W. R. Davis, formerly of Douglas county, is now with the Farmers State Bank of Cuba, Fulton county.

The Farmers Savings and Loan Bank of Urbana has tentative plans drawn for the erection of a new three-story bank building to cost between \$30,000 and \$40,000. National City of Chicago is the correspondent.

Cracksmen blew the safe in the State Bank of Millbrook, in a town of the same name near Aurora, and escaped with \$3,000 in currency and negotiable paper. There have been a multitude of robberies over the state this fall, not only of banks, but of postoffices and of stores as well.

Harry Densberger of New York City, formerly with the German-American National of Peoria before its merger with the Commercial National, has been called to East Peoria by the illness of his father, Jacob Densberger.

The Springfield Commercial Association will banquet the outgoing and incoming state officials and members of the legislature. The banquet will be held the first week in January.

The Peoria Star reprints the comment of W. T. Abbott, vice-president of the Central Trust Company of Chicago, regarding the private bank supervision question in Illinois. Mr. Abbott is well known in Peoria, where he was formerly a leading attorney.

The high school teachers of the state recently assembled in conference at the University of Illinois advocated "the subsidization of all high schools undertaking one or more industrial or vocational courses, including agriculture and continuation schools, to the extent of one-half the cost of maintaining such schools and courses, the control of which locally is to be under the present board of education." Another good word for vocational education.

NORTH DAKOTA BANKS CONSOLIDATE

The Hettinger State Bank and the Bank of Hettinger, N. D., have been consolidated under the name of the former. The new institution has a capital of \$25,000, while combined deposits foot up over \$100,000.

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

For Milwaukee bankers prominent in society circles, next week promises to be a strenuous one, with the annual Charity Ball, the minstrel show of the Milwaukee Chapter of the American Institute of Bank Clerks, and the the Horse Show contending for their attention.

Among the patrons of the Charity Ball in the Auditorium Tuesday night for the benefit of the Milwaukee Infants' Home and Hospital are: President Oliver C. Fuller of the Wisconsin Trust Company, President James K. Ilsley of the Marshall & Ilsley Bank, President L. J. Petit and Cashier L. G. Bournique of the Wisconsin National and Vice-president William Bigelow of the First National. These have all taken boxes for the minstrel show by the bank clerks in the Pabst Theatre on Friday night. On Saturday night the strenuous week's program will close with the Horse Show of the Milwaukee Riding Club for the benefit of the Children's Free Hospital, boxes for which have been taken by L. J. Petit, Spencer Ilsley, Oliver Clyde Fuller, Fred Vogel, Jr., H. H. Camp, and William Bigelow.

Minstrel Show Progressing Rapidly

Rehearsals for the big minstrel show by Milwaukee bank clerks on Friday and Saturday nights of next week are progressing successfully, according to the reports that emanate from behind the locked doors of Pabst hall, where the boys are at work nightly.

William Fisker, employed by the Wisconsin

Trust Company and reputed to be the smallest bank clerk in the city, will have the additional distinction of being the only one of the large cast to appear without burnt cork accessories, being cast in an Uncle Sam rôle. E. A. Redeman, cashier of the Germania-National, is daily becoming more proficient in the classic characteristics of the interlocutor, and the chorus of sixty is hard at work on a program of songs that contains not only all the recent hits, but many originalities composed by the songsters themselves.

James K. Ilsley Back

President James K. Ilsley of the Marshall & Ilsley Bank has returned from an extended trip in Montana and California.

Agricultural Conference at Madison

That the millenium is near at hand when bankers and farmers will work hand in hand in improving the general prosperity of the country through improvement of agricultural conditions is the opinion of Walter Kasten of the Wisconsin National who attended the agricultural conference under the auspices of the Wisconsin Bankers Association at Madison last week. Although the meeting was only a conference and no definite measures toward a crop improvement campaign were taken, Mr. Kasten said that it would undoubtedly result in recommendations that will figure conspicuously in the program of the crop improvement committee of the W. B. A. for the coming year.

Bartlett Still on Jury

Secretary George D. Bartlett of the W. B. A. is still serving the ends of justice as a member of a jury in Judge Ludwig's branch of the circuit court. He is rejoicing in the fact that he is serving this time with men who are forbidden by the statutes to "let George do it."

Income and Corporation Taxes

According to County Clerk Martin Plehn, the amount of the income tax to be paid by individuals and unincorporated firms in the city next spring is \$511,342.72, while that to be paid in the county outside the city is \$23,054.19. Corporation taxes in the city amount to \$860,436.15, while those in the country outside the city are \$534,396.91.

Lower Dwelling Rates

The Milwaukee hearings before the legislative committee appointed to investigate fire insurance matters in Wisconsin closed on Saturday, after heads of all the fire insurance companies and many agents and representatives had been called to the witness stand. The question put by Insurance Commissioner H. L. Ekern would indicate that a movement for lower dwelling rates is under way, although no report will be made until December 15th.

J. A. Corbett, president of the Citizens National and of the Citizens Title and Trust Company, Decatur, Ill., was in the financial district Monday.



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Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 615,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
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Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

PEOPLES TRUST TWO YEARS OLD

Peoples Trust and Savings Bank of Chicago will celebrate its second anniversary December 1st. The bank is capitalized at \$500,000, has a surplus of \$100,000 and undivided profits of a like amount. Deposits are well above seven millions. The institution has enjoyed a steady growth since its organization. Offi-

Gas building. Since its organization it has taken two additional rooms and at present is contemplating the acquisition of three more rooms, which will give it more than double the original space. During the short period which it has been in existence, the Peoples Trust has gained a reputation for conservative management and stability which has contributed in no small way to the success which has attended its operation.

KANSAS 1912 CROP OUTPUT IS LARGEST IN HISTORY

Kansas crops of wheat, corn and oats this year are the largest the state ever has produced, according to the annual report of F. D. Coburn, secretary of the state board of agriculture, issued recently. The present wheat prospect is 91 per cent of 7,500,000 acres. The report says:

"The combined value of Kansas wheat, corn and oats this year is \$170,785,666, or about \$55,000,000 more than 1911. The next best record was in 1909, when their value was \$169,262,323. This year's yields were in each instance considerably in excess of those of 1909, but prices were lower.

"This year Kansas raised between a fifth and a fourth of all the winter wheat produced in the United States. The wheat yield, 88,889,184 bushels, exceeded 1911 by 38,000,000 bushels. The average yield per acre was 14.24 bushels.

"This year's corn yield, 156,499,382 bushels, while from a considerably diminished acreage, is 49 per cent larger than of 1911."

Fort Dodge, Iowa, Nov. 27th.—C. A. Isaacs, cashier of the Forest City National Bank of Forest City, Iowa, and H. M. Martinson, former cashier of the First National Bank of Lake Mills, were arrested yesterday on the charge of making false entries on books of the bank with intent to defraud. The amount involved is not known. Their bail was fixed at \$10,000 each.

WORLD'S BUSINESS WILL AMOUNT TO THIRTY-FIVE BILLIONS

According to a report issued on Friday of this week by the bureau of foreign and domestic commerce at Washington, the world's international business for 1912 will amount to thirty-five billions a figure which is double that of twenty-two years ago and four billions greater than the



C. H. BOSWORTH
Chicago, Illinois
President Peoples Trust and Savings Bank



ROY H. GRIFFIN
Chicago, Illinois
Vice-President Peoples Trust and Savings Bank

cers are as follows: C. H. Bosworth, president; Roy H. Griffin, vice-president; E. H. Reynolds, cashier and A. M. Rode, W. J. Cook and H. T. Griswold, assistant cashiers. R. B. Upham is manager of the bond department. Mr. Bosworth formerly was a national bank examiner in Chicago; Mr. Reynolds is the son of President George M. Reynolds of the Continental and Commercial National.

The bank has its quarters in the Peoples

trade last year. The only countries to report decreases were Argentina and Russia. So far this year the United States has shown a monthly increase of eighteen millions over 1911.

There is a movement at Kenney, Ill., to turn the old Suttle Bank into a state bank.

The First National Bank at Charleston, Ill., will erect a new modern building in the spring.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter By R. L. ROBINSON

St. Louis, November 27th.—The week opened up well at the financial institutions and the volume of business transacted was entirely satisfactory. Business was active in all branches of banking. There was a liberal demand for money and rates held firm at 5½ to 6 per cent on call and time loans. Bank clearings were considerably larger during the past week than the corresponding period last year.

Changes at Third National

The board of directors of the Third National has voted to create another assistant cashiership and the position of auditor, to become effective January 1, 1913. The new assistant cashier will be Frank K. Houston, Nashville, Tenn., who occupied a similar position in the First National at that place. Mr. Houston has resigned his Nashville position and is making preparations to move to St. Louis. The auditor will be W. C. Tompkins, chief clerk of the First National of Chicago. Increase in business of the bank necessitated the new positions, according to F. O. Watts, vice-president of the Third National, who made the announcement of the board's action.

Bremen Bank Entertains

The Bremen Bank last week gave a public reception to mark the opening of its remodeled banking rooms at Broadway and Mallinckrodt streets. About thirty financial institutions, brokers and friends of the bank sent flowers. A feature of the event was the inauguration of a savings department, interest at 3½ per cent, the same as that paid by the trust companies. The banking rooms have been enlarged and remodeled at a cost of about \$30,000. The decoration reaches its climax in the board room, which has art glass windows, a high mahogany wainscot and a mural painting as a frieze.

Company to Invest In Country Banks

A new financial institution to be known as the "Bank Stock Trust Company" is in process of formation in St. Louis with a proposed capital stock of \$500,000. The purpose of the new financial institution is to buy stock of small country banks as an investment and operate similarly to the Bankers Trust Company of St. Louis. In explaining the purposes of the new company, Frederick E. Bryan, attorney and banker of St. Louis, who is promoting the company, said: "The purpose of the proposed trust company is not to control a chain of banks, but to hold stock in them as a common stockholder with the local people, each bank being entirely independent, but having through their connection with the Bank Stock Trust Company a community of interest. The proposed new company will not invest a dollar

of its capital or surplus in anything but country bank stocks." Among those interested are George F. Moore, E. F. Ustick, T. T. Fauntelroy, Charles E. Lane, F. C. Hahn, C. C. Collier and Campbell Cummings, St. Louis; C. H. Fauntelroy, F. E. Bryan, Wirt Wright and M. A. Traylor, East St. Louis; Asher Cox, Xenia, Ill.; L. O. Snoddy, Golden Gate, Ill.; N. S. Helm, Benton, Ill.; and L. M. Haynie, Nelson, Mo.

Proposes Bank to Fight Loan Sharks

At a dinner Thursday night in the Mercantile Club by Col. James G. Butler, initiative was taken which is expected to lead to the establishment in St. Louis in the immediate future of a branch of the Fidelity Corporation of America, the purpose of which is to put the loan shark out of business. This institution was organized April 3, 1910, in Norfolk, Va., and has branches in Atlanta, Ga., Baltimore, Md., Washington, D. C., Birmingham, Ala., and Seattle, Wash. It covers in various operative ways twenty-six states. Theodore S. Garnett, Jr., of Norfolk, a director, explained the plan. He said that Arthur J. Morris, president of the Norfolk institution, was the originator of the system, which has as its principle the capitalization of the earning capacity and integrity of honest persons who have no other assets on which they could borrow money. The Fidelity corporation operates under the general commercial corporation laws, as it does not do a banking business in the sense of receiving deposits or allowing checking of accounts. While the average interest charge to borrowers is 9.42 per cent a year, a certificate of deposit is paid back in weekly payments, equaling the difference between that rate and 6 per cent. Certificates of deposit bearing 6 per cent are also sold to investors. These certificates are subject to call. Col. Butler presided at the meeting. Those present were Festus J. Wade, H. L. Cornet, W. F. Carter, F. B. Eiseman, W. W. Hoxton, A. B. Hart, W. J. Kinsella, George

D. Markham, Rev. Dr. S. J. Niccholls, A. A. O'Halloran, Edward L. Preetorius, John C. Roberts, S. L. Swarts, B. J. Taussig, Thomas Wright, T. E. Anderson and M. L. Wilkinson.

Hannibal Banker Wills \$75,000 to Institutions

The largest public benefaction ever made by a Hannibal man was disclosed to-day when the will of A. R. Levering, late president of the Farmers and Merchants Bank, was filed. Seventy-five thousand dollars was given to ten different public institutions.

New Trust Company at Springfield

Announcement has been made that Governor Herbert S. Hadley, Jesse A. Tolerton, W. M. Wade of Ozark, Walter S. Dickey of St. Louis and F. E. Miller and L. E. Shattuck of Springfield are organizing a \$200,000 trust company to do business in Springfield. Articles of incorporation will be filed within a few days.

Bloomfield Bank to Pay Deposits in Full

State Bank Examiner John F. Swanger, who has been in charge of the City Bank of Bloomfield since Tuesday of last week, has given out a statement saying that arrangements have been made by the directors for the payment in full of all deposits. It is believed that the bank had about \$125,000 in deposits when it closed its doors. Of this amount, at least 50 per cent belonged to Stoddard county. The bank directors and the cashier have guaranteed the payment in full of all deposits should the assets of the bank be insufficient.

Reward for Missing Banker

Governor Hadley has offered a reward of \$300 for the arrest of H. M. Smith, formerly cashier of the Bank of Holstein, Warren county, who is accused of embezzlement of \$7,538.42.

Bank Robbed in Daylight

A lone robber entered the State Bank of Foyil, Oklahoma, on Thursday of last week and stole over \$1,000, after which he took a farmer's horse, tied near the bank, and escaped. The bank had been closed for the noon hour while Assistant Cashier W. C. Skelton went to lunch. The robber gained entrance by forcing the front door of the building. This robbery is the second time the bank has been robbed within the last year. Last spring yeggmen blew the safe, secured \$2,000 and escaped. A pack of bloodhounds has been put on the robber's trail.

New Arkansas Bank

The Farmers Bank of Pine Bluff, Ark., has been organized with a capital of \$100,000. The

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

Directors:

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Pres. New York State Rys.

AUGUST BELMONT
August Belmont & Co.

AUGUST BELMONT, Jr.
August Belmont & Co.

DANIEL J. CARROLL
Pres. Alberene Stone Co.

HARDEN L. CRAWFORD
Pres. The Century Bank of New York

P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.

DESMOND DUNNE
Pres. Desmond Dunne Co.

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Hayden W. Wheeler & Co.

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Cleveland, Ohio

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Chairman of the Board

FRANK J. HEANEY
Everett, Heaney & Co.

AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.

RICHARD H. HIGGINS
Vice-President

Capital and Surplus**\$3,000,000**

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AND
PHENIX
NATIONAL
BANK
New York

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Pres. First Nat'l Bank, Norwich, Conn.

LOUIS G. KAUFMAN
President

EDWARD E. LOOMIS
Pres. D. L. & W. Coal Co.

WILLIAM A. LAW
Vice-Pres. First Nat'l Bank of Phila., Pa.

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WALDO H. MARSHALL
President American Locomotive Co.

JOHN RINGLING
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EDWARD SHEARSON
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JOHN D. VERMEULE
Pres. Goodyear Rubber Co.

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Pres. U. S. Finishing Co.

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WILLIAM H. STRAWN, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Assistant Cashier

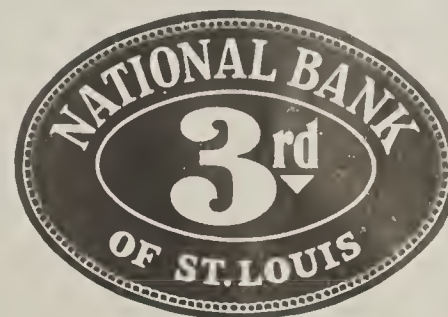
WALTER B. BOICE, Assistant Cashier

NORBORNE P. GATLING, Assistant Cashier

HENRY C. HOOLEY, Assistant Cashier

GEORGE M. HARD, Chairman

We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars**Capital**
\$2,000,000**Surplus**
\$2,000,000**Deposits, \$35,000,000****Officers****C. H. HUTTIG, President****F. O. WATTS, Vice-Pres.****T. WRIGHT, Vice-Pres.****R. S. HAWES, Vice-Pres.****J. R. COOKE, Cashier****D'A. P. COOKE, Asst. Cash.****H. HALL, Asst. Cash.****E. C. STUART, Asst. Cash.****R. R. Donnelley & Sons Company****PRINTERS**
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CHICAGO

officers are: President, William L. Matthews; vice-president, Russell Hollis, secretary and treasurer, C. W. Pettigrew. The directors are the officers and H. K. Toney and Frank M. Roan.

Trust Company Chartered

The General Realty Savings and Trust Company of Little Rock, Ark., has been chartered with a capital stock of \$25,000. The directors are: O. C. Ludwig, president; E. L. McHoney, secretary and treasurer; William M. Moore, R. E. Isenberg, C. W. Longcoy, O. D. Longstreth, V. O. Brack, A. D. Murlin, W. F. Cleveland, W. M. Stoddard, Thomas L. Cox, T. P. Murrey, A. W. Estes, E. C. Nowlin, H. N. Street, W. B. McNutt, H. D. Norwood, Perry Cappel, C. E. Morris, R. H. Vrigler and Clyde Ferrell.

Will Pay 15 Per Cent Dividend

Commissioner of Insurance and Banking B. L. Gill has announced that within the next thirty days Receiver Wilkins of the Harris County Bank and Trust Company will pay another 15 per cent dividend to the depositors of that institution with interest-bearing deposits, and to the banks of the bank guaranty fund which made a payment to meet the loss there. Seventy per cent has already been refunded and this will make the total refund 85 per cent. The guaranty fund banks which met the assessment will be refunded about \$16,000 on this dividend.

State Banking Law Further Construed

The attorney-general's department, through Assistant General Terrell, held in an opinion to Commissioner of Insurance and Banking Gill that a bank and trust company may, un-

der the banking law, act as an executor or administrator of an estate without having to make a deposit of \$50,000 in securities in the state treasury, but in such an event the company would have to make a bond. By depositing the securities the bond would not be required.

Eastern Bankers in Texas

Completing an inspection tour of the properties of the Southern Pacific and the Missouri, Kansas and Texas Railroad, Frank Vanderlip, president of the National City Bank of New York, and member of the board of directors of both railroads, accompanied by J. T. Talbert, W. H. Kierman, H. J. Slaker and E. P. Currier, all of New York, was in San Antonio, Texas, last week. "Conditions in Texas exceed my expectations," said Mr. Vanderlip in an interview. "I have been all over the properties of the two railroads in which I am interested and am greatly pleased. I saw signs of prosperity every where I went and prospects for the future are most brilliant. The Texas cotton crop this year is wonderful. All of the other crops are looking big and this looks to be a banner year for the state."

Alden Anderson has been elected president of the Tehama County Savings Bank, Corning, Cal.

American National Bank
Louisville, Ky.**Capital and Surplus, \$1,000,000**LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.**Unsurpassed Excellence of Service for Collections****SEASONABLE BOOK OFFERINGS**

From the press of Charles Scribner's Sons, New York, comes "The Red Cross Girl," by Richard Harding Davis. This book is a collection of seven short stories, several of which will be familiar to those who keep abreast of the periodical literature. This previous publication, however, makes the volume none the less welcome, for the title story and the second, "The Grand Cross of the Crescent," will sustain several readings. The others are also worthy to be in the same collection and are: "The Invasion," "Blood Will Tell," "The Sailorman," "The Mind Reader," and "The Naked Man." "The Red Cross Girl" is beautifully illustrated and sells for \$1.25 net; postpaid, \$1.35.

A socialist's view of modern business is contained in Charles Edward Russell's new book, "Business: The Heart of the Nation," published by the John Lane Company, New York. Business in relation to the newspapers, political graft, the slum, and the high cost of living are his chief points of attack. He delivers some very telling blows, at times almost going to extremes in his intimate description of conditions that now exist in the business world. The author's argument is, of course, that business is unable to change these conditions under the régime of competition and that the only solution is socialism. Mr. Russell's book has gone into a second edition and sells at \$1.50 net.

Harold MacGrath's new novel, "The Place of Honeymoons" (The Bobbs-Merrill Company, Indianapolis), evinces that ingenious invention and gift of entertaining narrative that

(Continued on page 18)

Editorial Comment

BANK SUPERVISION IN WISCONSIN

Frequent reference has been made in these columns as to the improved financial and banking conditions brought to the state of Wisconsin by the enactment of a state-wide bank supervision bill. Wisconsin had only about one fourth as many private banks as Illinois now has at the time the law was passed in 1903. Every movement looking toward supervision in that state was warmly contested by private bankers and a strong committee of lobbyists attended all sessions of the legislature when the matter was under consideration. Practically the same arguments which are being used in Illinois to-day against supervision were used by this committee. Some of them recently put forth in this state simply are the warmed-over efforts of the Wisconsin propaganda. In spite of political opposition, however, state supervision became a fact in Wisconsin in 1903 with almost similar consequences, so far as some of the private banks were concerned, as occurred in Indiana, Michigan, Minnesota and elsewhere, when those states adopted supervision. Thirteen of Wisconsin's most important private banks promptly closed their doors. Deposits ranged all the way from seven thousand dollars in the Bank of Plainfield to one hundred fifty thousand dollars in the Bank of Edgerton. The legal department of the state of Wisconsin filed a brief, when the matter was contested in the courts, stating that the entire deposits of the thirteen banks were a total loss to the depositors. The exact figures of this total loss are \$575,928. This complete and absolute failure proved what many of the organized banks of Wisconsin claimed, that the real opposition to supervision came chiefly from banks which could not stand an investigation. In the years since 1903, there have been but fourteen liquidations of state banks in the whole state of Wisconsin. The new law provided that failed banks should be liquidated by the state banking department, without the costly and expensive receivership so common in the state of Illinois. These fourteen banks, all state institutions, had deposits of \$778,997.58. There was not one dollar of loss to any depositor in any of these state banks. No more complete answer as to the comparative safety of state supervised banking when compared with private banking could be required by anyone. The result is totally convincing and it is believed that if supervision were to be adopted without several years for readjustment, that many private banks in the state of Illinois would follow the example set by the thirteen large private banks in Wisconsin. There are many features of the Wisconsin law which might be incorporated in a similar law in Illinois with great advantage. Wisconsin does not tolerate private banking of any description, and her system of liquidating failed or mismanaged banks has shown itself to be both inexpensive and expeditious. Not a dollar

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406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

has been lost to a depositor under the new state banking law in Wisconsin and there have been no failures within the last two years. Supervision of private banks as such is a mere makeshift and it never can be effective; it has been tried in two or three of the largest commonwealths and has failed. The Wisconsin plan or the Minnesota plan or the South Dakota plan or of a dozen other states which might be mentioned all have been perfectly effective, and banking has progressed very rapidly under the new conditions.

ILLINOIS GOOD ROADS MOVEMENT

It is conceded by those who are informed in such matters, that Illinois lacks quite as much in the way of road supervision as she does in bank supervision. Her roads are believed to be probably the worst of any of the better class of states. There is hope, however, of something being done in the matter at the coming meeting of the legislature. The Illinois Highway Improvement Association has been quite active under the presidency of W. G. Edens of this city, and at a meeting held this week, the program adopted at Peoria was fully endorsed by the good roads committee of the Chicago Association of Commerce. This same program has met with the approval of the good roads committees of the Illinois Manufacturers Association, of the State Teachers Association, of the Chicago Automobile Club and of a number of other clubs interested in better roads. A plan has been formulated for presenting the matter with all of these endorsements to the members of the incoming legislature which will meet at Springfield January 8th. Part of the plan includes the use of automobile license fees and wheel tax money as a sort of permanent fund to provide interest on a contemplated bond issue. There seems to be no contention on the part of anyone who is interested about the necessity for prompt and lasting betterment of country roads in Illinois. The Commerce Association is likely to include in its efforts the improvement of the Cook county roads outside of the city limits. These are said to be just a little bit worse, if possible, than the other country roads throughout the state. The Illinois Bankers Association has maintained a committee on good roads for some time and

has done effective work among its membership. All of these organizations will be united when the opportunity comes for presenting the matter before the legislature at its coming session. So far as investigation has been made, it appears that the members of the legislature are favorable to doing all that they reasonably can do for good roads.

SIDE LIGHT ON THE BOY PROBLEM

Keeping the boy on the farm isn't the only difficult problem connected with the bringing up of Young America. A St. Louis choirmaster with years of experience advances his conclusions in a neat set of paragraphs which may help some. He says:

Let your boys be boys.

Don't cram religion down their throats, but let them absorb it.

Don't deny them any legitimate sport consistent with their proper physical and moral development.

If a boy has a stubborn disposition, direct that stubbornness into the right channels and he will make a name for himself.

Inculcate habits of cleanliness, for a healthy body is a great help toward a healthy mind.

It is sometimes a good thing to put a boy on his honor.

Allow them at all times to think for themselves, with guarded supervision, and teach them the right of reason.

In the above one may find a suggestion which may prove helpful in some important case. The bright, ambitious youth resents too much supervision as much as any private banker. He wants only to see the right of a thing from his view point, perhaps, yet he resists mere direction or mandate. Some boys never get a chance to try what may be in them until they leave home. The best boy may be soured and turned from home influences by senseless and useless restrictions.

GOES TO BLOOMINGTON

William G. Edens, assistant secretary of the Central Trust Company of Illinois, left Chicago on Friday of this week for Bloomington to attend a meeting of the officers and directors of the Illinois Highway Improvement Association, of which he is president; the meeting to be held the afternoon and evening of November 30th. The party will inspect some six miles of hard roads in McLean County, the condition of which has been greatly improved as a result of systematic dragging.

MISSOURI BANKER HELD AS FORGER

Clinton, Mo., Nov. 29th.—John Ogden, president of the Farmers Bank at Deepwater, Mo., was arrested and brought to the county jail here charged with forgery and giving forged collateral securities. He is charged with having misappropriated \$5,000. During the recent political campaign, Ogden was elected chairman of the progressive party in Henry county.

Jacksonville, Fla.—The United States Trust & Savings Bank has been organized with J. J. Logan as president.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

A Broad Vision on the part of its founders, and a continued liberality of policy on the part of the management of this bank, have combined to make it more than a local institution. Its Numerous Connections throughout the Northwest enable it to offer complete and acceptable service to its many patrons in Minneapolis and in the great states comprising the business territory of this city.

Capital and Surplus, \$5,000,000

AFFILIATED WITH

The Minnesota Loan and Trust Company

Sioux City

BY JOHN J. BIDDISON

A cruel piece of idle gossip caused a run on the Chariton (Ia.) Savings Bank recently in which many persons of the town participated, and before the day was over nearly \$50,000 in cash had been withdrawn from the institution. All demands were promptly met and some people, recovering confidence, replaced large sums when convinced that there was no foundation for the rumors that had spread like wildfire. The absence from town of President J. A. Brown and Vice-president Webster Hultz was responsible for the rumor. Mr. Brown was in the West on a business trip, and Mr. Hultz was in Des Moines.

Yankton, S. D., Bank Celebrates Fortieth Anniversary

The fortieth anniversary of the founding of the First National Bank of Yankton, S. D., was observed Monday with an all day "at home." The bank, organized in 1872, tendered a banquet to 200 pioneers, every one of whom had been in the city or county for 40 years, President F. L. Van Tassell, one of them, doing the honors in person. The building was gay with flags, bunting and ivy, within and without, and music was rendered throughout the day, while souvenirs were given away to all callers.

Want Legislation in Banking Laws

Several measures looking to the betterment of business conditions will be taken up by the next Iowa legislature when it convenes. Among the more important of these will be an effort to remodel the banking laws governing the operation of trust companies. Trust companies are not trust companies, as they are now operated in Iowa, and their operations are decidedly limited. They are not permitted to manage estates, hold funds in trust or do such ordinary duties and, in fact, are quite generally confined to doing a sort of general banking business, in some notable instances being clearing houses for strings of small country banks. Business men hope that the broadening of the sphere of trust companies will result in making it easier to underwrite stock and bond issues and so promote large enterprises that now are often difficult to get under way.

A reform of the tax laws, probably further lessening the burden on moneys and credits, is also on the schedule. An employers' liability law is another measure quite certain to be passed in which business men generally are intensely interested. Business and municipal interests will be represented before this legis-

lature probably more fully than they ever have before.

Visiting Bankers

The following out-of-town bankers were in Sioux City during the past week: Robert Peterson, assistant cashier, First National, Centerville, S. D.; F. E. Frisbee, president, First National, Sheldon, Ia.; A. D. Horton, cashier, First National, Hawarden, Ia.; Chas. E. Walters, of Chas. E. Walters & Co., bank brokers, Council Bluffs, Ia.; D. H. Hedrick, president Battle Creek (Iowa) Savings Bank; W. A. Schaetzel, president Union County Bank, Elk Point, S. D.; Willard Whiting, cashier, and E. M. Casady, president of the Whiting Bank Whiting, Ia.; J. S. Wilson, cashier First National, Hull, Ia.; A. M. Shaw, cashier, Delmont, (S. D.) State Bank; John Schwabland, vice-president First National of Crofton, Neb.; A. J. Granger, assistant cashier, Farmers Bank, Salix Ia.; W. J. Davis, vice-president First National, Hartley, Ia.; John R. Welch, president, First State, Mapleton, Ia.; F. W. Bloxham, cashier First National, Sheldon, Ia.; I. S. Large, president, First National, Rock Valley Ia., and C. W. Brink, banker, Matlock, Ia.

Banking Notes

Further difficulties with the banks of Rapid City, S. D., have attended the recent escapade of Frank Devers, who was arrested on complaint of the Security Savings Bank, charged with having obtained money from it by giving a mortgage to land he did not own. The First National of White Lake has had him arrested again, accusing him of obtaining \$150 on a similar false pretense. It was only a short time ago that Devers was fined for as-

saulting a witness of the Security Bank in the trial of its action.

A jury in a federal court at Aberdeen has found James Wilson and Charles Williams guilty of robbing the postoffice at Milbank, S. D. They were sentenced to two years in the federal prison.

Earl Stearns, cashier of the State Bank of Ludden, N. D., was operated upon for appendicitis a few days ago at Aberdeen, S. D., and is reported to be recovering.

The National Investment Company, of Mitchell, S. D., has been given a charter to do business by the state of South Dakota. It is a million dollar concern, formed to do a general land and investment business.

A three-story building, the first in Hooper, Neb., is to be built next spring by the First National Bank there. The upper floors will be rented to others.

Michael F. Loughlin, a retired banker, fell dead on the street in Sioux City last week, of heart failure, at the age of 59 years. He had lived in Sioux City only since September. He formerly lived at Ackley, Ia.

INDIANA BANK BUILDING

Time for the submission of preliminary plans in the architects' contest for the contract of supervising and planning the erection of the new sixteen-story bank and office building of the Fletcher Savings and Trust Company in Indianapolis has been extended to December 2d. The award to the successful architect probably will be made about two weeks later. It is said that the new building will cost over \$600,000.

The building will be of steel construction and will occupy an area of twelve thousand square feet, with a frontage of nearly a hundred feet in Pennsylvania street and one hundred and twenty feet in Market street. It is proposed to make it a notable one, not only in architectural quality, but in the capacity and strength. The trust company has taken a ninety-nine year lease on the building site, with privilege of renewal. Banking quarters will be on the ground floor of the new building. The interior of the banking room will be two stories in height and finished in marble and bronze.

The completion of the building will mean the actual bringing together of the two trust companies which, last July, were merged into the new company which will occupy the building. At the present time these companies are occupying their old quarters, the Marion Trust Company, at East Market street and Monument place and the German American Trust Company at Market and Pennsylvania streets. The merger brought together a capital of \$1,500,000, the largest trust company capital in the state.



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ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

INCREASE IN WHEAT EXPORTS FROM THE UNITED STATES

Wheat exports from the United States in 1912 will materially exceed those of recent years. The record of the ten months now available in the statistical division of the bureau of foreign and domestic commerce indicates that the wheat exports of the full year will exceed one hundred million bushels, against eighty-three million in 1911 and sixty-two million in 1910. The total for the ten months ended with October is seventy-six and one-fourth million bushels, against sixty-seven and three-fourths million in the corresponding months of last year. This increase occurred chiefly in the new crop, the September exports having been seventeen million bushels, against ten and three-quarters million in September of last year, and those of October, twenty million bushels, against eight and three-quarters million in October of last year, the total for the two months of September and October thus being thirty-seven million bushels, against nineteen and one-half million in the same months of 1911.

Only about one-fourth of the wheat exported in October, 1912, went in the form of flour, while nearly two-thirds of that exported in October of last year had been transformed into flour before exportation. This contrast in the proportion of the wheat which was turned into flour before exportation is a characteristic of the wheat export trade of the United States. In those months or years in which the wheat export trade is heavy the proportion which is turned into flour before exportation is small; in those months or years in which the exportation is light the share which is turned into flour before exportation is large. In the fiscal year 1911, when only sixty-nine million bushels of wheat were exported, 66 per cent thereof was in the form of flour; while in 1908, when the wheat exports aggregated 163 million bushels, the share sent in the form of flour was but 38 per cent.

While the wheat exports of 1912 will show larger totals than in immediately preceding years, those of corn and meats show a decline. Figures compiled by the statistical division of bureau of foreign and domestic commerce indicate that the exports of corn in 1912 will be but about one-half those of 1911, the total for the ten months ending with October being twenty-six million bushels, against fifty-three and one-half million in the same months of last year. Meat exports also show a marked decline in 1912 compared with 1911. The quantity of fresh beef exported in the ten months ended with October was less than eight million pounds, against twenty-million in the same months of 1911; of pickled beef, twenty-three million pounds, against thirty-six million in the corresponding period of last year; of lard, three hundred and ninety-five million pounds, against four hundred and thirty-nine million; of oleo oil, eighty-six million pounds, against one hundred and fifty million; and of live cattle, 32,160 head, against 130,928 in the same months of last year. Cotton, however, shows an increase of about fifty million dollars over the corresponding months of last year, and cotton-seed oil also a slight increase, the export figures being, for cotton, four hundred and twenty-one and one-half million dollars in the ten months ended with October, against three hundred and seventy-one million in the corresponding months of last year; and of cotton-seed oil, sixteen and three-fourths million dollars, against fifteen million in the same months of last year.

While the products of the farm will show that little change in the general export record of 1912, those of the factory show a marked advance, the value of manufactures exported in the period for which figures are now available exceeding by more than one hundred million dollars those of the corresponding months of last year and indicating that the grand total of manufactures exported in the full year 1912 will considerably exceed one billion dollars and form about one-half of the total exports.

PAYMENT IN FULL

Toledo, Ohio, November 26th.—According to Assistant State Bank Examiner J. A. Holmes and the attorneys in charge of the Mechanics Savings Bank, the creditors of the defunct institution will receive payment in full.

With the payment of a 70 per cent dividend September 4th, and the authorization of a second dividend of 20 per cent, which was made in Common Pleas Court to-day, the creditors will have received a total dividend of 90 per cent.

Those in charge of the affairs of the bank say a third dividend of 10 per cent will be declared next May upon the expiration of a year, as required by law, before the final dividend is authorized.

According to the statement made to the Court, the additional 20 per cent dividend will be ready for distribution by December 2d.

Two Cincinnati banks acted as reserve agents for the Mechanics Savings Bank.

SNAPSHOTS AT NORTHWESTERN PRODUCTS SHOW

They had a Northwestern Products exhibition in Minneapolis same week that the Minnesota Agricultural and Educational Congress met. They had Indians—real Indians—and a sure enough cowboy band.



The above shows the Montana cowboy band in front of the Northwestern National.



This picture shows "Big Chief" Chapman, who came out to meet Chief Big Top. Louis W. Hill, a big chief of the Great Northern Railway, is making the introduction. It was a big week in Minneapolis.

It is announced that a new bank will be established at Danville, Ill. L. L. Jester & Sons and B. B. Cain are the organizers.

SEASONABLE BOOK OFFERINGS

(Continued from page 15)

has won popularity for his books. The heroine is an opera singer, known as Irish Nora, and the tale is concerned with her abduction by a princely suitor, who wants a morganatic wife. She believes that this has been arranged by the American hero, who strikingly resembles the prince. The attention of the reader is held to the end by the author, who mingles mystery and romance in a most baffling manner. Among the other characters are an ex-prize fighter, father of the heroine; her ambitious mother, seeking an entrance into high society, and minor characters who contribute to the humor of situations or complexity of the plot. The book is good reading all the way through, and the dénouement leaves the characters no less surprised than is the amused and interested reader.

Among the boys' stories must be mentioned "The Mystery of the Gray Oak Inn" by Louise Godfrey Irwin. Boys who will read this book will find it very unnecessary to leave home for adventure and excitement. It is full of adventure throughout, with such exciting materials as an old house, the haunt of long ago counterfeiters, a secret room, a big fire, and an agricultural station around which to weave the plot. The story unwinds interestingly and youthfully, until everything is discovered at the end. It is published by Moffat, Yard & Co., New York.

From the press of The Book Supply Company, Chicago, comes a new book. "Their Yesterdays," by Harold Bell Wright. This is the love story of a man and a woman, in which there is sentiment, pathos, and realism. It is unlike anything the author has yet written, and for the first time his own thoughts, rather than those of his characters, have shaped themselves into a delightful story which exalts life and love and honors the home. Mr Wright has won his high place as a story teller by introducing to the world "That Printer of Udell's," "The Shepherd of the Hills," "The Calling of Dan Matthews," and "The Winning of Barbara Worth." "Their Yesterdays" is the best work he has yet done; no one could fail to be uplifted and inspired by its reading. The illustrations are in colors by Coates, and it sells at \$1.30 net.

FINGER PRINT SYSTEM ADOPTED BY BANKS

Two Detroit banks, the Peninsular State and the Peoples State, have adopted the finger print system of identification. The system was inaugurated and is supervised by Henry P. Borgman, cashier of the savings department of the Peoples State, and Walter G. Toepel, cashier of the Peninsular State. The system is known as the Flak system, having been originated by P. A. Flak. This method of identification is used in the case of illiterate depositors. The signature consists of the imprint of the first three fingers of the right hand. The system is designed to eliminate the possibility of fraud and at the same time perfect a method which will determine absolutely the identity of saving depositors who are unable to write.

The St. Francis State, village of St. Francis, Minn., has been incorporated with \$10,000 capital. R. W. Akin, J. B. Berry, Bozel Hunter, Anoka, are the incorporators. The Farmers and Mechanics State of Austin, Minn., is incorporated at \$25,000 capital. A. M. Smith, A. S. Campbell and H. W. Hurlbut, of Austin, and Sam A. Rask of Blooming Prairie are incorporators.

COMMERCE TREBLES IN FOUR YEARS

Commerce between the eastern and western coasts of the United States, by way of the Isthmuses of Panama and Tehuantepec, shows a remarkable growth in recent years. Figures made public by the Bureau of Foreign and Domestic Commerce of the Department of Commerce and Labor show that this traffic has trebled in value in the last four years. Prior to 1907, all merchandise passing between the eastern and western coasts of the United States by way of the isthmus utilized the Panama Railway. At the beginning of 1907, however, a railway line 190 miles in length was opened across the Isthmus of Tehuantepec in Southern Mexico, constructed with special facilities for transferring merchandise from vessel to railway and railway to vessel, and since that date this traffic, on both the Panama and Tehuantepec railway lines, has grown very rapidly and amounted in the fiscal year 1912 to 125 million dollars in value, against 36 million in 1908. These figures, which include only domestic merchandise passing by way of the isthmus between the eastern and western coasts of the United States (including, however, Porto Rico as among the eastern and Hawaii among the western ports), suggest that a still greater growth in this traffic between the eastern and western coasts is likely to develop with the opportunity for vessel shipments without breaking bulk at the Isthmus, which will come with the opening of the Panama Canal.

The chief growth in this coast to coast traffic by way of the Isthmus has developed, as above indicated, since the opening of the Tehuantepec Railway. The total value of shipments from the Atlantic coast ports to the Pacific coast ports in the year ended June 30, 1908, the first fiscal year including a full year's operation of the Tehuantepec road, was 14¾ million dollars, of which over 13 millions passed by way of the Tehuantepec road. By 1912 the total had grown to 69½ million dollars, of which a little over 55 millions was by way of Tehuantepec.

The value of merchandise passing from Pacific coast ports to Atlantic coast ports by way of the Isthmuses was, in the fiscal year 1908, 19¾ million dollars, of which about 18⅓ millions passed by way of the Tehuantepec road. In the fiscal year 1912, this total had grown to practically 55 million dollars, of which a little less than 45 millions crossed by the Tehuantepec line.

Practically all of the sugar sent from Hawaii to the eastern coast of the United States goes by way of Tehuantepec, and forms considerably more than one-half of the eastward movement of domestic merchandise from the Pacific to the Atlantic coasts by way of the Tehuantepec road; while merchandise from the eastern coast bound for the Hawaiian Islands forms approximately 10 per cent of the westward movement of domestic merchandise across the Tehuantepec road.

The character of articles forming this large traffic between the eastern and western coasts by way of the Isthmuses of Tehuantepec and Panama is shown by a table issued by the Division of Statistics of the Bureau of Foreign and Domestic Commerce. This table shows that of the 12¼ million dollars' worth of merchandise passing from the Atlantic coast to the Pacific ports of the United States in July and August, 1912, iron and steel manufactures amounted to over 3 million dollars; cotton manufactures to nearly 2 million dollars, and the remainder miscellaneous articles in large variety, chiefly manufactures. The merchandise from the Pacific coast destined to the Atlantic ports includes, as above indicated, sugar from the Hawaiian Islands, forming about one-half of the total of 8 million dollars during

the two months ended August 31, 1912; the remainder being chiefly fruits, canned vegetables, canned salmon, wool, copper ore, and wines.

RAPID GROWTH IN TRADE WITH ITS NON CONTIGUOUS TERRITORIES

The trade of the United States with its non-contiguous territories will amount to 250 million dollars in the calendar year 1912. Tables just completed by the Division of Statistics of the Bureau of Foreign and Domestic Commerce of the Department of Commerce and Labor show that during the eight months ended August 31, 1912, merchandise shipped from the United States to the noncontiguous territories amounted to 74 million dollars in value against 61 millions in the same months of last year; and the merchandise received from these territories amounted to 97½ million dollars in value against 80½ million in the corresponding months of last year. This showing of an increase of 30 million dollars—a gain of more than 20% in the single year—gives assurance that the total value of this trade in the current calendar year will reach and probably exceed 250 million dollars in value.

The gain in the trade with the noncontiguous territories has been far greater than that in the trade with foreign countries. The figures of 1912 will exceed by 150% those of a decade ago, while the trade with foreign countries for the same period shows a gain of approximately 75%. The first year in which accurate trade figures with all of the noncontiguous territories were available was the fiscal year ended June 30, 1903. Prior to that time no official data was procurable of the trade with Alaska, and figures were refused by those engaged in the trade with Hawaii and Porto Rico after their annexation to the United States and establishment as customs districts. This condition was, however, remedied by an act of Congress which required statements of this traffic to be made in terms similar to those in which the trade with foreign countries is shown, and in consequence of this enactment full statistics of the traffic have been available since 1903. These figures show that the trade with Porto Rico in 1903 amounted to about 23 million dollars in value, while in the current year it will amount to about 75 million dollars, or more than three times as much as a decade ago. The trade with Hawaii in the year ended

June 30, 1903, was 37 million dollars in value, and in the calendar year 1912 will amount to about 85 million dollars, an increase of over 130% in a decade. With the Philippines, the trade in 1903 was 15 million dollars in value, and in the calendar year 1912 will amount to about 45 million dollars, having trebled in that period. With Alaska the trade of 1903 was about 20 million dollars in value and in the calendar year 1912 promises to be about 45 million dollars, an increase of approximately 125% in the period in question; these figures being exclusive of gold received from Alaska, which seems likely to be greater in the current year than ever before—the figures of the eight months ended with August 31, 1912, being 7⅓ million dollars against a little less than 5 million in the corresponding eight months of 1911, and a little more than 5 millions in the eight months of 1910.

Manufactures form the bulk of the 110 million dollars' worth of merchandise passing to the noncontiguous territories in 1912, and sugar, tobacco, fruits, fish, copper and hemp are the principal articles forming the 140 million dollars' worth of merchandise being received from the territories in question. Sugar forms the bulk of the merchandise received from Hawaii and Porto Rico; hemp and sugar are the largest single items from the Philippines, and canned salmon and copper the largest in the merchandise received from Alaska.

VALUABLE COTTON CROP

Oklahoma is experiencing the most satisfactory cotton trade in years. Those who made cotton their chief crop this year have ample cause to congratulate themselves. At the present time the price is 12 cents; at this time last year it was 9 cents. The difference in price makes each bale worth approximately \$15 more to the planter. By virtue of the increased price, the value of the Oklahoma crop will be augmented to the extent of \$15,150,000. Market and crop conditions of last year reduced the 1912 acreage 15 per cent, but in spite of this fact the 1912 crop will be as large, if not larger, than that of 1911.

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Kansas City

CENTRAL WEST LETTER

Omaha

By **EDGAR P. ALLEN**

Bankers of the Central West, and especially of Kansas City and Kansas, are much interested in the discussion of the Kansas "Blue Sky" law before the convention of the Investment Bankers Association in New York last week. Several influential delegates to that convention condemned the Kansas law as detrimental to the legitimate investment business, a opinion that is shared by some of the bankers of Kansas. Under the Kansas law every individual or concern seeking to sell securities of any kind, except certain bonds and bank shares, must first place before the state bank commissioner a detailed statement of the business covering every element considered vital to the soundness of the securities offered. It is the complaint of some of the investment bankers that this requirement makes it a physical impossibility for the bank commissioner to pass upon all applications promptly and that the operations of the investment houses are greatly hampered by delay. In justice to the "Blue Sky" law of Kansas, however, it must be said that it has met with general approval among bankers in that state.

Kansas Group Meetings

Three interesting group meetings were held in Kansas last week which were well attended by bankers from Kansas City, St. Joseph, St. Louis and Chicago. Group 2 met at Lawrence, and among the speakers were: A. B. Chrisman, of the Inter-State National of Kansas City; J. T. Pringle, president of the First National of Burlingame, Kan., and J. N. Dolley, state bank commissioner of Kansas. Group 1 met in Kansas City, Kan., and among the speakers there were: C. N. Prouty, cashier of the Exchange State of Kansas City, Kan.; F. M. Wilson, president of the First National of Horton, Kan.; M. H. Malott, president of the Kansas Bankers Association; Prof. J. H. Miller, of the Kansas State agricultural college at Manhattan, Kan., and W. W. Bowman, secretary of the Kansas Bankers Association. Group 4 met at Beloit, Kan., and among the speakers were: G. M. Nimocks, president of the Bank of Scandia, Kan.; J. N. Dolley, Prof. J. H. Miller and G. A. Rogers, of Abilene, treasurer of the National Citizens League for Kansas. Special cars carried the visitors from one group meeting to another.

In Hands of Receiver

Financial and insurance circles in Kansas City and the Southwest have been stirred by disturbance following the attempt to consolidate the Great Western Life Insurance Company of Kansas City with the International Life Insurance Company of St. Louis. The consolidation scheme had had easy sailing until all arrangements had been made for the

St. Louis company to take over the entire business of the Kansas City concern and the transfer was to have been made last week. Suddenly a storm of opposition arose among the stockholders of the Great Western Company who objected to the entire plan. On petition before the Kansas City circuit court the company was thrown into a receivership, the Commerce Trust Company of Kansas City being named as receiver. This action was to stop the merger. The petitioners say that the Great Western Company was organized in 1907 and was placed in a federal receivership the following year. After two months the receivership was lifted and the company continued to grow, its insurance gaining from \$10,000,000 to \$16,000,000 and the surplus gaining from nothing to \$60,000, or 12%. It was alleged extravagant salaries and general mismanagement caused the company to languish of late and that the officers, especially the president, were quietly obtaining most of the shares. They then sold out to the St. Louis company, so it is alleged, and the whole thing was a case of high financiering. Then the officers secured a temporary writ of prohibition from the state supreme court against the local circuit court and the new president, Thomas R. Marks, against whom there is no charge of any irregular conduct, demanded that the Commerce Trust Company surrender the company's property. The contest became so heated that a personal encounter between President Marks and Pierre Lundin, an attache of the trust company, resulted in broken glass, and a "gun play" on the part of a deputy. J. Z. Miller, vice-president of the Commerce Trust Company, maintained a dignified attitude and held possession. Up to date there have been a dozen lawyers of Kansas City and St. Louis drawn into the controversy as well as several officers of the Commerce Trust Company and Insurance Commissioner Blake of Missouri. And, says everybody concerned, the fight has just begun.

Four Bankers are Sentenced

The four former officers of all night and day banks in various cities of the Central West which failed about the same time and under similar conditions, were convicted of a conspiracy in using the mails to defraud in the federal court at Memphis. Each man was sentenced to five years imprisonment and to pay a fine of \$2,000. They are E. L. Hendry, president of All Night and Day Bank of Memphis; J. H. Brooks of the same bank; Abner Davis, of the same bank in Oklahoma City and H. C. Winn of Little Rock, president of the All Night and Day Bank there. C. A. Bonds, organizer of the All Night and Day

Bank in Kansas City, the fifth man indicted, was not sentenced, as he was not able to be in court. This disposes of a series of the most unique bank frauds of recent years in the Southwest. All of the all night and day banks are organized in Memphis, Little Rock, Oklahoma City and Kansas City at about the same time. Although there did not appear to be any official connection among them, it developed that they operated together in the manipulation of business and when the crash came all went down in a heap.

S. M. Pickens Sentenced to Prison

Sam M. Pickens, formerly cashier of the First National Bank of Thayer, Kan., was convicted in the United States district court at Topeka last week, of falsifying the bank's accounts and misapplication of funds. He was sentenced to serve five and one-half years in the federal prison at Leavenworth, but pending an appeal he was given into the custody of a United States marshal. The First National Bank of Thayer was closed by the comptroller on March 31, 1911, after an examination of the books which disclosed a shortage of \$32,000. Pickens, the cashier, was charged with the shortage and his defense was that the deficit was due to mismanagement and incompetency. He was indicted on eight counts and was found guilty on five. His trial was one of the most stubbornly contested cases in the history of Kansas. The principal witnesses against him were W. A. Wilcox, a bank examiner and Lewis M. Gray, an expert accountant for the government. Most of the other officers and large stockholders of the bank were farmers of the neighborhood with little experience in banking methods and they trusted Pickens implicitly.

Not a Single Bank Failure

Of the several western states which have adopted the state bank deposit guaranty plan, Nebraska alone is able to make an absolutely clean showing in that it has never been called upon to come to the rescue of a failed bank. In spite of this gratifying fact, however, the Nebraska state banking board is preparing to levy its last semiannual assessment against the deposits in Nebraska state banks at the present rate of one-fourth of one per cent. The guaranty fund is now \$560,000 and the next assessment will increase it to nearly \$800,000. Under the law that will be the last heavy levy and the banks will thereafter pay only one-twentieth of one per cent each half year until the fund becomes depleted by reason of failures. The law provides that when the guaranty fund reaches 1½ per cent of the aggregate deposits, assessment shall increase alto-

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gether until such a time as the fund shall have fallen below one per cent.

Want Bank Legislation

In the course of a long conference last week between the members of the executive committee of the Oklahoma State Bankers Association and Governor Cruce, several important phases of proposed financial legislation were discussed. In view of the great number of bank and train robberies in Oklahoma within the past few months, the bankers asked the governor to recommend legislation providing heavier penalties for these crimes. Governor Cruce expressed his entire sympathy with this proposal, but insisted that if anything was done along the line of heavier punishment for bank robbers, it should be made to work both ways—applying to robbery from the inside as well as from the outside. He told the committee that four times as much money had been taken from Oklahoma banks by the persons in charge of them as had been taken by highwaymen "operating from the outside." The bankers, led by Bank Commissioner Lankford, also urged that it be made a felony in Oklahoma to circulate a false report which is directly or inferentially derogatory to the financial condition or affects the solvency or financial standing of banks. Another matter having important bearing upon Oklahoma banks was the suggestion from the bankers themselves that prohibitive measures should be taken against bankers lending or advancing money from a bank to an outside concern with which the bankers are identified, directly or indirectly, as nearly every bank failure in Oklahoma, the bankers asserted, was due to loans in which officers, directors and heavy stockholders were directly interested. Governor Cruce promised to take these suggestions under advisement when he formulates his coming message to the legislature.

Offers Rewards for Bank Robbers

In the hope of stimulating public and official activity in hunting down bank robbers, the Oklahoma Bankers Association has decided to offer standing rewards for the capture of these offenders. Reward signs have been sent out to every state bank in Oklahoma which reads as follows: "One thousand dollars reward for bank burglars. As a member of the Oklahoma Bankers Association, this bank is protected against bank burglary as follows: \$500 offered by the state banking board for arrest and conviction; \$500 by the Oklahoma Bankers Association for the robbers, dead or alive." This action is expected to prove a timely warning against the various gangs of bank robbers who have been spreading terror among the smaller bank of the state for many months.

Central West Notes

The directors of the Stock Yards Bank of Commerce of Kansas City, held an annual election last week at which John S. Gillespie was made president and Charles W. Bartlett was chosen vice-president. The other officers remain the same. The capital stock of the bank will be increased from \$25,000 to \$50,000.

The directors of the Gold Savings Bank of Wichita, Kan., last week decided to change the name of the institution to the Union State Bank of Wichita. This bank was organized by the late Hiram Lewis, in connection with

the Monarch Trust Company and it has gradually grown in importance until it has severed all relations with its parent organization.

So well has the Commerce Trust Company of Kansas City administered the affairs of the defunct American Union Trust Company of Kansas, that after paying the depositors 75% of their money, it is said that the Commerce Trust Company is now ready to make a final payment of 22%. The payment is delayed on account of litigation, but the matters are expected to be cleared within a few weeks. The American Union Trust Company was organized in January 1911, and six months later it took over the All Night and Day Bank of Kansas City. It was this transaction that sent the company to the wall and last January, after trying vainly to straighten out the affairs of the institution, the Missouri bank commissioner turned over the business to the Commerce Trust Company.

The Kansas City Clearing House Association has leased new quarters over the Missouri Savings Bank at 920 Walnut Street. It will occupy the second and third floors, which will be splendidly fitted up. For years the clearing house was located at 921 Baltimore Avenue, but outgrew these quarters. In the new location the clearing house will be in the center of Kansas City's financial district, being within two blocks of sixteen banks, six of them being less than a block away.

The North Texas Trust Company, has been organized at Fort Worth, Tex., and will begin business with a capital stock of \$250,000, which will be raised to a million soon. Sam Davidson is president, T. W. Clack and W. E. Connell, vice-presidents, and J. W. Scheuber, secretary and treasurer. The directors are all prominent bankers and business men of Fort Worth.

John A. Prescott, of John A. Prescott & Company; H. P. Wright of the H. P. Wright Investment Company, and W. T. Kemper, president of the Commerce Trust Company,

were Kansas City delegates to the national convention of the American Investment Bankers Association in New York last week.

Thornton Cooke, vice-president of the Fidelity Trust Company, made an address before the Kansas City Chapter of the American Institute of Banking, last Tuesday night. Mr. Cooke discussed "Wealth and Money."

Kansas City will vote on a proposed municipal bond issue of nearly three million dollars at a special election to be held in January.

Groesbeck, Tex., is to have a new bank to be known as the Farmers Guaranty State Bank. It will have a capital stock of \$25,000 and will open for business January 1st, in a building that is being erected for it.

The Texas department of banking has approved the following reserve agents: For the First State of Seagoville, the Farmers and Merchants State of Waco; for the Guaranty State of Ore City, the Central Texas Exchange National of Waco; for the Asherton State of Asherton, the Laredo National of Laredo; for the First Guaranty State of Leesburg, the Chase National of New York; for the Guaranty State Bank and Trust Company of Dallas, the Commerce Trust Company of Kansas City; for the First State of Liberty Hill, the National Bank of Commerce, Houston; for the Continental State of Bridgeport, the Guaranty State Bank and Trust Company of Dallas; for the Alamo Trust Company of San Antonio, the Citizens Bank and Trust Company of Austin; for the First State of Newsome, the First National of Winnsboro; for the Farmers and Merchants State of Kennedy, the Hanover National of New York; for the Farmers and Merchants State of Ballinger, the State National of Fort Worth; for the Citizens State of McLean, the City National of Dallas.

San Antonio, Tex., is agitating the question of issuing \$5,000,000 for municipal improvements.

C. A. Middaugh, assistant cashier of the Missouri Savings Bank of Kansas City, addressed pupils and others in a social center meeting last week at the Irving school. He urged that children be taught how to save.

Chang Yin Tang, the Chinese ambassador to the United States, was in Kansas City several days last week, having been invited to make an address at the annual John Jay dinner of the Kansas City Commercial Club. In his tour of the city he was shown the time lock on the door of the vault of the Southwest National Bank of Commerce, and for an hour he studied the complicated mechanism with absorbing interest. He insisted upon the lock being taken apart for his special benefit, and it was.

Among out of town visitors to Kansas City's financial district last week were: E. A. Ford, cashier of the Waldo State, Waldo, Kan.; F. A. Sewall, vice-president of the First National of Texhoma, Okla.; E. E. Williams, cashier of the Real Estate Bank of Marysville, Kan.; C. H. Jones, cashier of the Lynn County Bank of Brookfield, Mo.; E. F. Enloe, cashier of the State Bank of Moorhead, Kan.; E. F. Elerick, president of the First National of Oklahoma City, Okla., and Henry C. Duncan, president of the Bank of Osborne, Mo.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Every state needs a "Blue Sky" law said Joseph Chapman, vice-president of the Northwestern National, at the last dinner of a series by the Minneapolis jobbers and manufacturers to the visitors at the land show. The purpose, he said, is to protect people in their investments. "When we have such laws in every state," said Mr. Chapman, "there will be more money to invest in land. Millions of dollars are lost every year in swindling operations. Not one dollar is lost when a man buys land and goes onto it and cultivates it."

H. J. Schwartz to be Freed After Ten Months

The board of pardons has allowed H. J. Schwartz, cashier of the State of Royalton, to have his freedom after serving ten months of an indeterminate sentence for receiving deposits when he knew the bank was insolvent. The request for liberty was on the ground that the banker did not do wrong intentionally, that he took no money for his own use, that he believed the bank would pay out, and that he was the victim of other officers. W. P. Phillips, manager of the First National, Vinita, Okla., sentenced last spring to five years, for making a false report to the comptroller of the currency, is to be given a new trial in the second judicial district at Tulsa, ordered the circuit court of appeals in session at St. Paul.

H. W. Parker Addresses Office Men

To the Minneapolis Office Mens association, H. W. Parker, cashier of the St. Paul Merchants National, said of the administration of credits as a career: "The time a credit should run is the time a merchandise should run; until it disappears from the wealth of the country. When the wealth disappears the credit should vanish. Good credit in the markets of the world enables the merchant to do good business. The system of credits has developed almost into a science. The credit man must be a good man of business and he must know human nature. He must be able

to judge whether the buyers are overbuying, and must keep in touch with local and national business conditions. He must walk in the rut of routine, but he must be a pathfinder. He must be endowed with patience and loyalty. Skill in reading between the lines is a part of the credit man's work. His office is one of hard work and large responsibility."

St. Paul Consolidation Expected Soon

Consolidation of the Merchants National and National German American is expected December 2d. For the time the new bank will be in the National German building, Fourth and Robert Streets. The Merchants will move Saturday at the close of business. More than \$500,000 of the money to be transferred from the Merchants will be in coin and the \$1,500,000 in other currency. Retiring President James W. Lusk, of the National German American is to have a desk in the bank. He will act in an advisory capacity.

Agriculture the Hub of Business

The farmers must raise the produce and the cities must turn the trend of immigration to the farms that more help may be obtained in raising larger crops, is the theory of J. W. Wheeler, president of the Capital Trust Co., St. Paul. He told the conservation congress that the solution of the high cost of living is up to the farmer. The explanation is based on the opinion that in 1950 the United States will be the home of 200,000,000 people. That suffering may be precluded from insufficient food, Mr. Wheeler declared, the farmers must increase the product of their farms one per cent each year.

"The Business Man's Interest in Settlement and Agricultural Development," Mr. Wheeler's subject, was answered by his assertion that the hub of business is agriculture. The business man is dependent on the farmer and must aid the farmer to meet the problem of soil conservation, that business years hence

may not fail with the farmer. The farmer is becoming a landed aristocrat, not an aristocrat of the old meaning, he declared, but rather the backbone of the nation. At the same time, Mr. Wheeler said, the American business man gradually is coming to know that the farmer's success means universal success in the commercial field.

New State Bank for Minneapolis

The Citizens State, with \$25,000 capital and \$5,000 surplus, is the latest Minneapolis bank. It is to open about January 1st in an outside business district, three miles from the financial center. The bank is spending \$15,000 on the building changes and equipment. Stock is reported sold at \$120. Officers are: President, F. A. Samels, formerly with the Dakota County Bank at Lakeville; vice-presidents, N. D. Samels, commission merchant, and T. O. Gulack, retired banker from North Dakota; cashier, C. B. Stringer, formerly at Osage, Ia., and lately of the Samels bank. Mr. Samels has two banks in Minnesota and two in North Dakota. Forty-five people of the bank's community are stockholders in the new institution.

High School Bonds Sold

High school bonds, 4 per cents, running 30 years, have been sold by Minneapolis to R. L. Day Company, Boston, at 95.619. Certificates of indebtedness covering a bridge approach have been sold to the Minnesota Loan & Trust Company and the Wells & Dickey Company, at public sale, to confirm a previous sale. Another \$100,000 bonds are to be sold in January. There were seven bids.

New Montana Bank

The Farmers State at Cut Bank, Mont., has been organized with \$20,000 capital to open January 1st, in which Minneapolis financial men are interested. Among them are President J. H. Tucker of the Minnehaha State, Cashier F. H. Werden, and G. H. Towle of the Towle-Jamieson Company. Cut Bank al-

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ready had a bank. Mr. Tucker will be president. The bank is to be in the new Teton block.

Chase Wants Commission to Pass on Petition for Bank Charters

Kelsey S. Chase, Minnesota superintendent of banks, wants a commission to pass on all petition for bank charters. He will recommend the improvement to the state legislature next winter. Mr. Chase said: "There are enough banks in Minnesota now, and in many instances the conditions would be materially improved if the number of banks should be reduced. I have no authority now to refuse a charter and don't care for any such authority, but the state should have a commission which should examine all applications and whenever the territory in which the bank is to be located will not support a bank on a conservative and legitimate banking basis the commission should have the authority to refuse a charter. There are many places now with two banks that will be better off with one and there are some communities with a bank that really cannot give it support."

Rates on Money Too High

Captain Horace I. Bedell, real estate, International Falls, Minn., objects to the high rate of interest charged by the bankers for money to be utilized in developing the northern part of the state. He called on Minneapolis bankers, then went on to Chicago, and thence will go to New York. The bankers take money from southern Minnesota at a low rate and then charge through their banks in northern Minnesota a 10 per cent rate. In the same line W. G. Bierd, vice-president and general manager for the Minneapolis & St. Louis road, at the recent conservation congress in Minneapolis said: "Rates on money are too high. No farmer can afford the northwestern rate of 8½ per cent. There is always money for desirable investment, and the farmer will get his money cheap as soon as he makes his investment desirable. The farmers security is his land, and when that land is producing 14 to 16 bushels of wheat to the acre, it is worth \$47 to \$50 an acre. But the same land can be made worth \$100 to \$125 an acre if the farmer makes it produce 30 bushels to the acre, and he has then cut his interest rate from 8 to 5 per cent, for his security is then as desirable as any. The farmer is to-day insuring the banker and paying the banker his rate of interest beside. It is this element of risk or faulty security that makes the farmer's interest cost so high."

Bank Merger Ratified

Merger of the Merchants National and the National German American under the name of the Merchants National was ratified Wednesday. The stockholders of the Merchants elected the board of the National German American as members of the board of the Merchants National. Twenty-six directors are in the new bank. Aside from F. H. Thatcher of Winona and Frank Schlick of St. Paul, the

directors were members of the boards of one or the other of the two banks. Judge James W. Lusk, former president of the National German American, did not become a director in the new institution.

The directors elected were: George H. Prince, F. Weyerhauser, Kenneth Clark, A. H. Lindeke, E. N. Saunders, R. C. Jefferson, Charles P. Noyes, Thomas Irvine, V. M. Watkins, Timothy Foley, Jacob Dittenhofer, J. M. Hannaford, T. J. Humbird, Ambrose Guiterman, James H. Skinner, Crawford Livingston, Thomas A. Marlow, W. B. Parsons, Louis W. Hill, L. P. Ordway, Frank Schlick, F. R. Bigelow, Frank B. Kellogg, F. E. Weyerhauser, F. H. Thatcher and Donald S. Culver. The new institution will open for business Monday with \$2,000,000 capital, \$2,000,000 surplus, and above \$20,000,000 deposits.

Country Clearing House For Twin Cities

George F. Orde, vice-president of the First National, was detailed by the Twin City Bankers Association to study in Kansas City a plan to establish a country clearing house in one of the cities. The plan may be adopted by the clearing house association, or by another association formed to facilitate business in the form of country checks.

NOTICE TO BIDDERS

\$150,000 Lawrence County, South Dakota, 5 per Cent Funding Bonds

Sealed proposals are hereby invited by Lawrence County, South Dakota, addressed to the undersigned, for the purchase of not exceeding \$150,000 5 per cent bonds. Bids will be opened by the Board of County Commissioners, at Deadwood, South Dakota, on Tuesday, December 17, 1912, at 10 o'clock A. M.

This issue was authorized by a vote of the electors of the County at the general election held November 5, 1912. The vote recorded in favor of the issue was 2755, against 1136.

The purpose of the issue is to fund the outstanding warrant indebtedness of the County which approximates \$150,000.

The bonds will be issued in denominations to suit the successful bidders, and will draw interest at 5 per cent per annum, payable semi-annually, and principal and interest payable at the Fourth National Bank of the City of New York, or at the office of the County Treasurer at Deadwood, South Dakota.

The bonds will run for twenty years with the option to redeem after ten years from their date.

A check certified by a reputable bank for two and one-half per cent of the amount of the bid must accompany each proposal, as an evidence of good faith.

The right is specially reserved to reject any or all bids and to accept any offer the Commissioners may consider to be for the best interests of the County.

Further particulars will be furnished by the undersigned on application.

NEAL C. HALL

Treasurer Lawrence County, South Dakota

C. T. Jaffray Back From East

C. T. Jaffray, vice-president of the Minneapolis First National, also from the East, said:

"The East has an excellent idea of the prosperity of the Northwest. The earnings of the Northern Pacific, Great Northern and Soo roads have been heavy, and the statements of these roads are regarded as the most significant index of the business conditions in the West.

"New York is busy. Building, as usual, is going on rapidly and there is little fear in commercial life of an immediate lowering of the tariff. Of course, if the tariff is lowered, it will result in less revenue for the textile and fabric manufacturers of the East."

Bank Clearings High

Bank clearings in St. Paul have already passed the \$500,000,000 mark and in Minneapolis the \$1,000,000,000 mark for 1912. Last year the line was not reached in Minneapolis until December 10th, when the total was \$1,001,211,865. In St. Paul the clearings for last year were \$513,121,148, with a prospect this year of a much better showing. The figures for Minneapolis are:

1912 (estimated).....	\$1,200,000,000.00
1911	1,068,090,893.73
1910	1,155,659,664.74
1909	1,029,914,855.58
1908	1,057,468,860.09
1907	1,145,452,149.83

Minneapolis Has Cheapest Money

Returned from the East E. W. Decker, president Northwestern National, said: "Minneapolis has the cheapest money of any city in the country. Interest rates have been lower than in Chicago or New York. The only man complaining in the East is the Wall Street stock broker.

"Railroad financing will be done next year on a pretty liberal scale. The New Haven paid 6½ per cent for \$40,000,000 for a year while I was East, which shows the trend of things. The other big feature was the completion of the plan for a building on the Equitable site. Here it is expected that from a thirty-six story building sufficient rental revenue will be derived to pay operating expenses and taxes on land that cost \$13,500,000 and a building that will cost \$15,000,000, and leave a profit. Property and rents are going up in New York.

"On the whole I do not think I ever saw conditions looking better in the East. Barring something unforeseen, the consensus of opinion is that the entire country is in for good times next year."

Northwest Notes

The Caledonia State, Caledonia, Minn., is to be housed in the Abbotts block, which is being overhauled. Bank fixtures have arrived for installation. The officers are: President, Joseph Vossen; vice-president, O. E. Burtness; cashier, Jacob A. Hoyman.

Mayor Joseph A. Cohen of Grand Rapids, Wis., is back of a plan for a \$100,000 bank in that city.

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Pacific Northwest Banking News

Out of the fifth national apple show, which closed in Spokane last week, has developed a sturdy movement to organize growers of Washington, Idaho, Oregon and Montana into a large co-operative marketing agency. The issue will be settled finally at a meeting of representatives of all districts in Spokane, December 16th, called by President Robert E. Strahorn of the apple show at the instance of more than 100 growers.

The marketing plan comes as the result of knowledge that the many producing districts of the Pacific Northwest must band together to insure the success of the apple industry. Reductions not only in price to the consumer, but in cost of production and marketing, is the aim of the movement. This year about 16,000 carloads of apples are being marketed in the Pacific Northwest, and these figures will increase rapidly in future years.

Financial Conditions Improved

Business is better and financial conditions have improved, making more money available for enterprises of all kinds in the Spokane country since the election, according to Spokane bankers.

"Greater activity is noticed in all lines of business following the election," states J. Grier Long, president of the Washington Trust Company. "The business outlook in Spokane and the surrounding country is on the upward trend decidedly."

"The present financial condition in Spokane is excellent," says J. C. Cunningham, manager of the Union Trust & Savings Bank. "The mining industry, lumber business and farming all are yielding record returns. Plenty of money is available for local enterprises and the outlook for the future is exceedingly bright."

Confidence in Washington

Confidence in Washington and in Spokane business institutions on the part of California investors and financial men is reported by J. P. M. Richards, president of the Spokane & Eastern Trust Company, on his return from an extended visit in the Southwest. "I visited Los Angeles, San Francisco, Santa Barbara, San Diego and Portland," states Mr. Richards, "and found many stockholders of the Spokane & Eastern Trust Company and Washington Water Power Company. Their confidence in Washington and the Spokane country is great. Spokane looks better to me now than it ever did. I am especially glad to see work so well under way on the \$2,000,000 Davenport Hotel. The erection of this hotel is the beginning of a new era in the prosperity of Spokane."

Begin Work on Railroad

Work began this week on the \$3,000,000 Northern Pacific grade separation project in Spokane. After a large force of carpenters has torn up warehouse platforms along the right of way, track-layers will place a new track on the south side to allow the contractors to start building the concrete wall on the opposite side.

Tracks will be elevated through the city a distance of four miles.

Banking Notes

The National Grange, in session at Spokane this week, committed itself to support legislation enabling farmers to borrow from government postal savings banks at a rate slightly higher than is now paid by national banks for use of these funds. As the government loans these funds to national banks at 2¼% interest, the grange considers it possible to bring the cost of administration of farm loans at about 4%.

Seventeen acres of land at Parkwater, the industrial townsite just east of the Spokane city limits, are being condemned by the Washington Water Power Company as a site for a new transformer station to cost between \$200,000 and \$300,000. A power line from the company's \$6,000,000 project at Long Lake, Wash., will be built to the new transformer.

Machinery of the \$1,000,000 plant of the International Portland Cement Company, at Irwin, nine miles east of Spokane, will be set in motion December 10th. Most of the machinery is now in place and shipment of raw materials from Bayview, on Lake Pend Oreille, will start December 1st.

Spokane school children have a bank account of \$62,295.25 in the Spokane & Eastern Trust Company, according to a report made November 1st.

Spokane banks have erected welcome shields over their doors in preparation for the American Mining Congress, November 25th to 30th.

Among out-of-town bankers in Spokane this week were: L. L. Work, Oroville; D. F. Staley, Pullman; J. L. Taggart, Uniontown, and R. K. Wheeler, Elk River, Idaho.

Wenatchee's car famine has been ended permanently, it is believed, and the apple crop of the Wenatchee valley is now being sent rapidly to the middle western and eastern markets, via the Great Northern.

EDMONTON NEWS

When the provincial parliament of Alberta meets next spring, the legislative committee of the city council of Edmonton will urge the adoption of several amendments to the charter to give the municipality added powers. Among the subjects discussed informally by the committee at its last meeting are the following:

To issue treasury notes or bills for emergency measures.

To issue stock instead of debentures or bonds.

To charge a frontage tax for all public utilities, or improvements.

To give the city power to facilitate land purchases.

To change the fiscal year to correspond with the calendar year.

Members of the committee are of the opinion that the city should have power to charge extensions of all public utilities, owned and operated by the municipality, as a frontage or local improvement tax. This does not mean, necessarily, that such extensions will be charged as a local improvement, but that the corporation is empowered to do so. The same condition would prevail as relates at present to water main extensions. The real purpose of the amendment is to enable the city to lay gas mains by frontage tax.

The committee has not fully decided upon the advisability of applying for power to issue stock as well as debentures. The city commissioners' treasurer, auditor, and solicitor have been directed to prepare reports on stocks and debentures as a means of raising money. If it is found desirous the amendment will be incorporated in the petition.

The amendment to issue treasury notes or bills is looked upon with favor. The city has not the power to issue such paper at present—it issues promissory notes payable to banks, individuals or corporations. It is held that treasury notes are safety valves or emergency measures.

It was suggested by the commissioners that a way for the city to acquire land more quickly than at present would be an amendment whereby the city will take the same course as provided by the railway act in expropriating ground. This means that the appraisal of the property will be from the date the corporation seeks it, and not after values have enhanced as the result of the knowledge of where improvements will be made by the city.

The city council of Edmonton has authorized the commissioners to negotiate a loan from a bank of \$238,000 to cover items of expense likely to be incurred between now and the close of the calendar year. This becomes a special charge upon the debentures authorized under various by-laws amounting to \$1,238,710.

International Securities Company, limited, with headquarters in Winnipeg, has opened a branch in Edmonton in charge of W. C. A. Grant and D. A. Connelly.



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Assistant Cashiers

PLANS NATIONAL HIGHWAY

Congressman Stanton Warburton of Tacoma, Washington, spent several days in Chicago this week, in the interest of a bill which he proposes to introduce in congress in December, which will provide for a national highway. The money to build the roads necessary to connect the various state capitals with each other and with the national capital and with the principal national parks will be raised by restoring the internal revenue tax of 1879 on tobacco. It is proposed to set aside the additional income from this source as a national road fund, which it is estimated would amount to about eighty millions a year. It would be a little more than double the present internal revenue tax on tobacco. Congressman Warburton expects that the cost of the proposed roads will not exceed \$25,000 per mile and probably not \$20,000. It is proposed that 1½% of the additional income shall be used in constructing like roads in national parks. The proposed increased tax on tobacco will not prove burdensome to the consumer. For instance, it would raise the tax on a ten cent cigar three-tenths of one cent. The manufacturer of a ten cent cigar would decrease the size one-thirtieth and the consumer could not tell the difference in size. The manufacturer of smoking tobacco likewise would decrease the size of the package about a twelfth and the consumer would not notice the difference in the size.

The bill will provide for immediate construction of an Atlantic and Gulf line from Augusta, Maine, to Baton Rouge, La., and Tallahassee, Fla., and a Pacific coast line from Olympia, Washington, to Los Angeles, Cal., and for the construction of the other lines as rapidly as they can be built on the income. Congressman Warburton says that if the bill is passed at the coming session of congress, which ends on March 4th, and the law goes into effect by July 1st of next year, a small appropriation can be provided for the preliminary surveys and work. Work could be begun by August, 1913, on the Atlantic and Pacific lines. They could be completed in a year and the Pacific line would be ready for the fair at San Francisco in 1915. Work can be prosecuted on all of the Pacific lines and the southern part of the Atlantic lines during the winter season.

HISTORICAL POINTS IN ILLINOIS

R. R. Wallace, cashier of the First National of Hamilton, Ill., writes most interestingly about the history of various localities on the Mississippi River and tributary to Hamilton. He says that many of the old landmarks in his vicinity soon will be matters of history because they will be overflowed as soon as the dam across the river between Hamilton and Keokuk is in operation. The second oldest settlement in Iowa was just across the river and a little below the present town of Nauvoo. Mr. Wallace says he is not sure whether this settlement was older than the first one on this side of the river between Hamilton and Nauvoo, but that whatever settlements were made in Illinois prior to 1830 were very close to the river and between the present site of Warsaw, then known as Fort Edwards, and the present site of Nauvoo. In 1841 there was a wing dam constructed in the river half way between Hamilton and Nauvoo. During the winter of 1841 and 1842 it was washed away. In 1842 the dam was rebuilt and furnished power to a grist mill, which was operated from 1842 to 1849. When the river is low the foundation of the wing dam is clearly visible, and even now a person who knows where it is can see the ripple in the water. This will be at least forty feet under water by the first of June of

next year. Mr. Wallace has in his possession a facsimile of the original contract for the construction of the second wing dam, and in twenty minutes can put his hand on the original document. Some time between 1823 and 1827 a man by the name of I. N. Waggoner settled about a half mile from this old mill dam and accumulated quite a fortune by piloting boats over the rapids. His home, built in 1843, is being wrecked, and Mr. Wallace has bought old logs that were under the floor and rafters that were in the building. It was a brick and stone building with old split oak laths and some old brass locks that must be a hundred years old, or even older. About a hundred yards below where the old water mill stood is a house in which it is claimed Robert E. Lee lived when he was a lieutenant in the United States army and fresh from college. It is said that he did some surveying around there. The site of the old court house built of logs in the early 20's, when Hancock and Adams counties and other territory were districted together, will be submerged by the new lake.

These interesting historical facts furnished by Mr. Wallace are a reminder that bankers throughout the state should assist in preserving important historical data in their respective localities and see that this matter gets before the county historical societies and eventually finds its way into the records of the Illinois Historical Society at Springfield.

FAVORS COMMISSION TO PASS ON APPLICATION FOR BANK CHARTERS

Kelsey S. Chase, superintendent of banks for Minnesota, advocates the creation of a banking commission to pass upon all applications for bank charters. Mr. Chase says that in many instances conditions would be improved materially if the number of banks were reduced. An effort will be made to have the matter come before the legislature.

MICHIGAN BANKER INDICTED

The federal grand jury at Grand Rapids has returned an indictment against John Sibben, former assistant cashier of the First National Bank of Manistee, Mich., charging him with the embezzlement of \$44,000 of the bank's funds. When the shortage was discovered in October, Sibben is said to have admitted that he had taken the money.

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Suite, parlor, bedroom and bath	- -	\$4.00-\$5.00
Suite, parlor, 2 bedrooms and bath	- -	\$5.00-\$6.00
Each additional person in same room		\$1.00 extra.
Rooms for Maids and Valets	- - - -	\$1.00

VICTOR HOTEL COMPANY, Limited

C. A. Hollingsworth, President

NEW YORK CITY

ELECTED DIRECTOR OF MISSOURI PACIFIC

Edwin G. Merrill, president of the Union Trust Company of New York, has been elected a director of the Missouri Pacific Railway in place of Frederick T. Gates, resigned; he also has been elected a member of the executive committee of the railway.

GOOD ROADS CONGRESS TO MEET

The American Good Roads Congress will meet the first week in December, in connection with the ninth annual convention of the American Road Builders Association at Cincinnati. A program of unusual interest is promised for the occasion. Those who will present papers and lead the discussions represent fourteen different states and one Canadian province. Eight of the authors of papers and discussions are among those who have been selected from this country to present papers at the international road congress to be held in London next June. In connection with the congress there will be an exhibition of machinery and materials used in highway construction and maintenance. There also will be exhibits from the United States office of public roads, many of the states, several of the larger cities and a number of the leading engineering schools.

WRECK BANK SAFE; GET \$800

Cracksmen blew open a safe in the private bank and steamship office of Savero Pitassi and Aristide Vingo at 753 West Taylor Street early last Saturday and escaped with \$800 and \$10 worth of postage stamps. Nitroglycerin was used and the explosion blew one side of the safe through a showcase and shattered one of the plate glass windows in the front of the bank.

PROMINENT CINCINNATI BANKER DEAD

Briggs Swift Cunningham, chairman of the board of directors of the Citizens National of Cincinnati, died at his home there on Sunday of this week at the age of 73. Heart disease was given as the cause of his death. Mr. Cunningham retired from the presidency of the Citizens National about a year ago. He also was a director in several other enterprises.

LONG SERVICE REWARDED

Eighteen years of faithful service on the part of Russell E. Smith have been rewarded by his appointment as assistant cashier of the Old Detroit National Bank. Mr. Smith worked up to his present position from a minor clerkship.

CINCINNATI BANK PRESIDENT TO RETIRE

Charles Nickels, who has been president of the Columbia Bank and Savings Company of Cincinnati since its organization in 1902, will retire as the head of that institution about the first of the year. It is said that this action is due to the advanced age of Mr. Nickels and a feeling that his long service in the financial world entitles him to retirement. He will remain on the board of directors of the bank and will be chairman of the executive committee.

INDIANA BANK CONVERTS

Comptroller Murray has approved an application to convert the Peoples State Bank of Anderson, Ind., into the Peoples National Bank with capital of \$100,000.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

WOMEN TO HOLD GOOD ROADS MEETING

The second annual convention of the Illinois and Interstate Women's Good Roads Association in furtherance of the Lincoln memorial highway and state and county bond issues for good roads will be held in the LaSalle Hotel, December 3d.

Des Moines, November 27th.—As reports begin to come in from the cornfields of Iowa it becomes more and more apparent that the output of Iowa's favorite staple this year will break all records. It is not possible to get reports from the Iowa Crop Bureau until the report is read to the State Agricultural Society early in December. But other corn experts have estimated that the total crop will be 453,000,000 bushels. The heaviest yield ever reported in the past was 388,000,000 bushels. From this it will be seen that the increase is tremendous. It is estimated by crop statisticians that the value of the farm wealth of Iowa is close to a billion dollars. The crops and herds for last year for instance are estimated at \$621,000,000. But this year it is estimated that \$900,000,000 would be more nearly correct. Moreover, the bank deposits show up \$400,000,000. The Iowa farmer is not suffering any because of lack of prosperity. With the tremendous increase in all yields this year, there is no reason to doubt but that the ensuing months are going to set a new pace in the financial growth of the Iowa banks. Since last year, the increase of deposits has been remarkable, while clearings in every city in the state have shown a most satisfactory gain.

Time for Tariff Revision

Des Moines bankers opine that the special session of congress will be a good thing for the country. Recently, a Des Moines newspaper interviewed C. H. Martin, president of the Peoples Savings; Lee Stevens, president of the Century Savings, and H. T. Blackburn, cashier of the Iowa National. All expressed the belief that the country is in better shape now to stand tariff "tinkering" than it ever was before and better than it may be two years hence. Since the country is due for tariff revision, they think it better to relieve the uncertainty that now exists. This is also the view of Senator A. B. Cummins.

Suit for Refund of Tax Money

Attorney-General Cosson, was represented in a suit at Keokuk involving the old question of taxation of government bonds. The Keokuk National is the plaintiff in the suit and Lee county is defendant. The bank was taxed for six continuous years from 1903 to 1908 on \$85,000 worth of government bonds. Since then it has been ruled by several judges in Iowa and by the supreme court that such bonds cannot be taxed. The bank is now seeking to secure a refund of the tax paid in in this way. The county is resisting and the attorney-general wants to get an adjudication of the question that appears to be perennial. A similar suit against the city of Keokuk has been filed by the bank. The amount involved in the latter case is \$4,000.

Purchase Bloodhounds for Protection

Waterloo officials have purchased a half interest in two bloodhounds and they are to be put to work after December 1st, chasing criminals. The sheriff of that county became

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier

A. F. DAWSON, President

enamored of the hounds when he recently was an interested spectator at Gilbertville at which time two hounds trailed a fellow who had thrown a rock through the plate glass window of the bank there and who confessed, when arrested, that the hounds had the right man. Some days ago, following the attempted robbery of the bank at Hudson, the hounds took the scent and trailed the gang, presumably, through the streets of Waterloo. Their performance attracted wide attention although they did not land the robbers. It is thought that if crooks know that Waterloo has two bloodhounds on the job, they will fight shy of that section of the state.

Bank Robber Wanted by Washington Police

The Des Moines police have been asked for information relative to E. J. Blair, by the police at Washington, D. C. Blair was once quite prominent in Iowa bank robber circles. He was arrested at Omaha for participating in a bank robbery in Mills county, Iowa. The Nebraska Bankers Association had him brought to Des Moines where the I. B. A., had him mugged. Just what Blair has done at Washington has not been made known in Des Moines.

Death of Hopkinton Banker

Judge Frederick Benjamin Doolittle, president of the Hopkinton State Bank at Hopkinton and one of the pioneer financiers of the state, died in Des Moines last week, while on a business trip to this city. Judge Doolittle became connected with the Hopkinton bank in 1844 and remained its president until his death. He was a native of New York, where he was born in 1825. He located in Iowa in 1850 and laid out the town of Delaware in 1860. He organized the Davenport & St. Paul Railroad, which later became a part of the Milwaukee system. Judge Doolittle and his wife have been prominent in philanthropical circles. They have given more than \$30,000 to Lenox College, which is located at Hopkinton. Pneumonia contracted on the train while en route to Des Moines was responsible for the death of the banker.

Cedar Rapids State Now Open

The Cedar Rapids State Bank, a new institution, opened its doors last week with a fine

line of visitors and a splendid new structure. The new institution starts out with a capital stock of \$50,000. It is so located that the farmers driving into the city go past its door, and it is thought this will add materially to the bank's business. The banking rooms are furnished throughout in mahogany. The fixtures are the latest in style and design and thoroughly modern in every detail. A fire-proof room for safety deposit boxes adjoins the big fire-proof vault. The safe is 9,800 pounds in weight and is guaranteed burglar-proof.

Install Electric Signs

Two banks in Des Moines have installed handsome electric signs as the result of inspirations received while at the Detroit convention. The Commercial Savings and the Century Savings are the two institutions which have adopted this means of calling attention to themselves after night. Des Moines boasts of having the best lighted down-town streets of any city of its size in the country and the two new signs have added greatly to the general lighting scheme.

May Have "Blue Sky" Law in Iowa

It is apparent, from replies which the greater Des Moines committee is receiving to a list of questions sent out, that Iowa is interested in having a "blue sky" law. Committees of prominent men in each city in the state of over 2,000 have been sent communications and they are asked to use their influence before the coming legislature. Responses indicate that the sentiment is general throughout Iowa that this state should have a law putting an end to fraudulent investments. Reports from Kansas are also being received and they are practically unanimous in favor of the statute as it exists there.

Movement to Shorten Banking Hours

A movement has been started at Waterloo to change the banking hours there so that the institutions will be open to the public at 10 o'clock in the morning and will close at three. Heretofore the banks there, as in most Iowa cities, have been opening at 9 o'clock. It is figured that this extra hour in the morning would permit the bookkeepers and clerks to keep up with the business of the day without being kept an unnecessarily long time after banking hours in the afternoon.

Iowa Banking Notes

It was expected that a new bank and trust company would be organized at Davenport and an option was secured on the first floor of the Lane Building. However, the option was permitted to expire and it is thought that the movement has been abandoned.

The First National at Manchester is having plans drawn for a complete remodeling of its building. When completed it will be an exceptionally beautiful structure.

A new national bank to be known as the First National is being organized at Grant. Alex Weir, a Cumberland capitalist, is back of the movement. The institution will have a capital stock of \$25,000, and should be a winner, as Grant is located in a wealthy farming community.

L. E. Stevens, president of the Century Savings of Des Moines, has been nominated president of the Commercial Club, and will be elected without opposition. Mr. Stevens is a real booster and since he has reached Des Moines he has taken an active part in the doings of the Commercial Club. He has been especially active in working for a public loan bureau, which will put the loan sharks out of business.

John H. Blair, vice-president of the Des Moines National, has returned from Texas, where he spent several weeks on business affairs.



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907
HARRIS TRUST BUILDING, CHICAGO

The Kirksville Savings, of Kirksville, has filed articles with the secretary of state, increasing its capital stock from \$10,000 to \$20,000.

Two new brick buildings are being erected at Gilman, one for each of the two institutions. There is considerable rivalry as to which will have the better building and it is said that both will be highly creditable to themselves and to the town.

J. G. Brauch, who was formerly with the State Savings at Chariton, has removed to southern Minnesota, where he is organizing a bank in one of the towns in that section.

Much praise is given the new Commercial

Bank at Ames, which has a white front that has attracted favorable comment throughout that section of the country.

The First National at Renwick is now doing business in its new home.

J. B. Graham, who has been chosen cashier of the new bank at Vining, has resigned the principalship of the schools at Van Horne so as to accept the new position.

DETROIT BANKERS TO HAVE DINNER

The semiannual dinner of the Bankers Club of Detroit will be held at the Ponchartrain the evening of December 7th. An excellent program is being provided for the occasion.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

Charles F. Hoerr, vice-president of the Home Bank and Trust Company, Chicago, and a chapter member of long standing, addressed Chicago Chapter at Assembly Hall, Tuesday evening, November 26th, on "Optimism and Persistence." Martin C. Applet and Frank E. Rasmussen favored the chapter with a piano duet.

CINCINNATI CHAPTER ISSUES "CHAPTER MAN"

Cincinnati Chapter is one of the live chapters in the American Institute of Banking. Under the editorship of Benjamin F. G. Keam of the Union Savings Bank and Trust Company, it now has started a monthly, "The Chapter Man," for the purpose of bringing the bank employees of that city closer together and to exchange ideas and promote education. The first (November) edition contains interesting reviews of past meetings and tells of coming prominent speakers. On the front page is an editorial urging non-members to join and obtain all the advantages which the Institute can afford, also the chapter calendar. Social events are not lost sight of and there is a "Personals" department. Altogether "The Chapter Man" promises to become a credit to the work of this most enterprising chapter.

ST. PAUL CHAPTER

At the regular monthly meetings of the St. Paul Chapter prominent business men are asked to speak on subjects of common interest, not necessarily pertaining to banking interests. At the last meeting, Mr. Keljik, a rug dealer of St. Paul, spoke on the causes, the progress and the probable outcome of the Turkish war. Mr. Keljik has lived for some time in Turkey and is very familiar with the customs of the people, so that his talk was a most entertaining and instructive one.

PUBLICITY COMMITTEE AMERICAN INSTITUTE OF BANKING

President Byron W. Moser, of the American Institute of Banking, announces the appointment of the following men to serve on the publicity committee of the institute: Fred W. Ellsworth, publicity manager, Guaranty Trust Company of New York, chairman; G. W. Cooke, publicity manager, First National, Chicago; Joshua Evans, Jr., assistant cashier, Riggs National, Washington, D. C.; H. E. Hebrank, Union National, Pittsburg; R. S. Hecht, trust officer, Ilibernia Bank and Trust Company, New Orleans; G. Jeter Jones, assistant cashier, Merchants National, Richmond, Va.; John C. MacLean, Security National, Minneapolis; F. C. Mortimer, cashier, First National, Berkeley, Cal., and Herbert E. Stone, Second National, Boston.

BANKING AS VIEWED BY A LAYMAN

Cheesman A. Herrick, president of Girard College, delivered a very able address before the Philadelphia Chapter recently. Following is his address in part:

Banking is the "thermometer of business." Banking is the fruition, the highest result of

business, and if we in consideration, retrace for a moment, when in the trend of business banking took its rise we shall find that it was relatively late; that business had existed for centuries and had been well developed in all branches of its activity before banking as a definite and recognized part of business came into practice. As banking is the last, so it is the highest form of business.

I believe that banking is also the most useful branch of business, because it is that which makes effective the other activities of the business world. To me, the most satisfactory definition of a bank I have ever heard is: "A bank is an institution for dealing in money and credits," and the dealing in credits far outranks in importance the dealing in money. We may trust the statements of careful students in the field of economics that nine-tenths of all our modern business is on a credit basis. When we consider all the savings of business, all the conveniences of business, all the increased efficiency of business we must remember that the banks are the institutions that deal in the credits which enter so largely into business operations, and that as such they occupy a foremost position in the business activities of the present time.

I think that business men as a class are too prone to place a low estimate upon the value and service to the world of their own calling. There seems to be a leaning toward the professions and those who enter business are too much inclined to view it as a necessity from which there does not seem to be any escape. It was stated by a metropolitan clergyman not long since that a business man should make millions of money as some slight compensation for not being in his profession. This is a high standard or ideal of the clergyman's profession, but the slight which he casts on business certainly is not merited.

I have a high regard for the profession of banking because of the character which it exemplifies. You know we sometimes get the idea that success in business comes from some kind of sharp dealing, or taking advantage of the other fellow, of "doing him first," as the old saying goes, but I think that banking, above all other branches of business, teaches the necessity for uprightness, straightforwardness, and integrity of dealing as the foundation for one who is to have the best success.

Did you ever think what the conception of customer means? The customer of your bank? The customer in your commercial relation? It is the one who comes through custom, who comes through habit—the one who comes because of his belief in you or in the institution with which you are identified. In this I can give a word of personal testimony. As I look down upon the faces here this evening I see one who has for nearly twenty years been the paying teller of my bank. It would personally be more convenient for me to have my account in another bank. I could manage my affairs a little easier if my personal account were in a bank nearer my home, but I have so high a regard for the personal qualities and reliable character of the officers of this particular institution, an institution which has served me so well, that I am loth to take my account away, and I believe, gentlemen, my experience is the experience of the customers of the banks up and

down this town and it is the experience of business in general. If you have not the confidence and belief of patrons in your integrity as fundamental, then the very foundation stone of this thing we call credit is undermined.

The personal element and the belief in the integrity of the individual who is involved in the relation is the fundamental to success in any large way, and I bring you from the outside, my expressions of confidence in the high integrity of the banking profession together with the statement that I believe that nothing is more fundamental to success than strict square dealing, uprightness of conduct, with the desire not only to fulfil the form and legal requirement as an external, but to fulfil the spirit of the obligations which we have incurred.

And then, in the next instance, I am happy to talk to you on education, a subject concerning which perhaps I have the most right to talk of any, and I shall speak of this because of its relation to banking as an occupation.

It used to be that a person who would become a doctor placed himself in the service of a physician. He greased his buggy, attended to his horse, picked up information here a little and there a little, added to his store of knowledge through reading books, talking to the doctor about his profession, going out with him to see his patients. Similarly a large number of those who entered the profession of law entered the lawyers' office as stenographers or clerks, picked up their knowledge much in the same way under the direction of a lawyer. Those who went into banking careers followed much the same practice, associated themselves at service with a banking house, gathering such information as they could as they went along. But within the past twenty or twenty-five years, there has been a growing sentiment in this country, particularly among the financial divisions of business, that those who are engaged ought to avail themselves of these provisions for a liberal education. Not only should expert preliminary training be given to those who would have larger responsibilities, but others should continue their education after having entered employment.

I have heard it said by the heads of banking institutions that they had clerks in their employ who were working on a given branch of the business and that these clerks neither knew nor cared for the work which other men were doing all around them or the work that the institution was doing in a larger way. If that be true, it is a most regrettable fact. For one to serve as cog in a wheel fitting into another wheel and turning with the machine, doing his own little part, and that without any knowledge of what the wheel as a whole or the machine in which the wheel turns is doing, is a most unfortunate condition of affairs. You may think that the writing up a bank ledger or the entering up of deposits or any one of the dozen or more different phases of employment in a bank is a very tedious, uninteresting and depressing sort of occupation; you may despise it if you wish and accept it as a cold necessity, but if you do, I predict that you will not get much fun out of your particular job

and you will not have very much of successes in the department of life in which you serve.

I believe that banking as a science offers the finest inducement for a careful, systematic, thorough, continued study and that the courses offered in the University of Pennsylvania, for example, afford an opportunity for the young men who are in the banks or engaged in the banking business to broaden their views, intensify their interest and see where their little part of the work fits as a cog or wheel into the big machine. Once let them see this and they will do their work better, enjoy it more, and when, after awhile, in the shaping of events there comes an opportunity for moving some man higher up, the man who knows the most about the business, who has the best hold on it, who has given himself the finest equipment, will be the man who is moved up.

Twenty years ago, before the American Banking Association, a distinguished banker of this city said that he believed in this professional education of bankers in our higher schools of commerce because it was training men to an unconscious existence of ideals, and he made this comparison by way of showing what he meant: He said that he believed that the cadets trained at the military academy at West Point and the Naval Academy at Annapolis were in the time of their testing immeasurably braver men, more competent and dependable men, because of the ideals and standards of their profession; that they had been trained in these ideals in the school of the soldier and of the sailor, and that in time of trial, unconsciously they lived and acted up to the ideals and standards to which they had been trained. This man said, and I believe he said wisely, that the trained man is the man who is going to stand staunch in time of trial, and who will meet an emergency unconsciously, and instantly do the right thing. I commend to you the value of this kind of training.

You cannot afford not to avail yourselves of the opportunities offered in this Institute of Banking and in other ways for a study of your business. You will be better men for it, more useful men in your work and you will get a lot more pleasure out of life. I commend to you the professional attitude toward banking as a calling.

SYRACUSE CHAPTER

The benefits which accrue both to the individual and the community from the establishment of savings banks are well set forth in an address recently delivered before the Syracuse Chapter, American Institute of Banking, by H. L. Stout, who is connected with the Fulton Savings Bank at Fulton, N. Y. Mr. Stout's address is, in part, as follows:

Savings banks are not organized as business enterprises. They have no stockholders and are not to engage in speculations or money making in a business sense. They are simply to take deposits, usually small, which are offered, aggregate them and keep and invest them safely, paying such interest to depositors as is made after deducting expenses and paying the principal on demand. The principal features of a savings bank are that it offers safe security with small interest, but with no profit to the managers, as contrasted with a larger rate of interest and less security.

We learn as a fundamental principle, if we follow the tradition of the savings banks, that we are bound to foster the small depositor. It was for him that the savings bank was created, and it is to his service that it should be devoted. The average deposit Jan. 1, 1912, in New York state savings banks was \$545.33. The man whose earning power is but little above the requirements for bare necessities is the one to whom every encouragement should be given.

The savings banks are not only doing beneficent work in inculcating habits of thrift, in gathering and conserving wealth which might otherwise be wasted or else be unproductive, and in furnishing capital for many legitimate business enterprises; but, especially in our large Eastern cities, with their great influx of alien peoples, savings banks are keeping step with the churches and public schools in helping to make good citizens of those who seek our shores as immigrants.

There is usually a department, unnamed in laws and rules, in the savings bank which might be called the Department of Mercy, where the banker becomes the good samaritan and with sympathy and suggestion endeavors to solve the small financial tangle of the old veteran, the lonely widow, the friendless and lowly. Kindness, gentleness and advice are often of more value than gold to the troubled mind.

Savings bank officers and employees occupy an unusual economic position. On the side of the depositor we come into contact with that great mass of people in whose continued sanity rest the sure foundations of our government. We meet people of every class, creed and nationality; the reformer, the socialist, the radical and the conservative, the rich and the poor—in a sense we are the custodians of the hopes and aspirations of countless of our fellow creatures. This place that we hold in the social system imposes upon us greater responsibilities than we fully realize, not only as custodians of a vast fund, but as citizens accountable to a nation.

These characteristics, peculiar to the savings bank and the saving bank officers, differentiates the bank for savings from the bank of commerce and trade. The savings bank is properly a semi-benevolent institution, one of the ties that bind and conserve society.

The savings bank is a silent but powerful factor in the business life of the country. It practically carries the municipal debt of the nation, and builds the homes of the nation. To the savings banks of New York state the United States is debtor on its bonds the small sum of \$1,758,580, chiefly because they are gilt edge and come high and are not a profitable savings bank investment. The various states, counties and cities have used \$399,809,476 of the New York state savings banks' moneys for public improvements; out of this amount, cities in New York state alone have used \$205,132,267 for this purpose, while the railroads are borrowers to the extent of \$269,859,584 for tracks, cars, engines, stations and what not.

Savings banks encourage thrift and economy in their patrons, with, of course, a resulting benefit to the community in which they are located; promote thrift in the highest degree, and encourage habits of industry by receiving small amounts from their patrons which are assembled into one large sum and invested in bonds and mortgages.

The savings bank, by taking the small amounts and combining them into one larger amount, assists the poor man to build up a line of credit which otherwise he might not be able to obtain, and makes him a valuable asset to the community; for, in providing credit for the man who wants it and can use it, it helps him and the community, and satisfies an economic want; and if you make good character an essential element in that credit granting, you have a powerful ethical force at work.

Who built the homes, the business houses, the factories, the bridges and public buildings? Who paid for sewers and streets and railroads? The people; yes. But how? The average man has not money enough to build him a house, a factory, a store, or a congregation a church. The railroads are all heavy borrowers and are always in debt. In the form of a mortgage, the savings bank comes to the rescue of the man who would build a house, and says: You furnish one-half and we will furnish the other. To the railroad it says: Go ahead; we have plenty of money.

Build well and wisely, and we will buy your bonds. To the municipality: Furnish us with bridges and good streets and lights and public parks and buildings, and we will pay your bills. Now, none of the people who deposit their money in the bank had enough at any one time to build much of a house or build a railroad; or, having the dollars, did not know how or lacked the courage; but they had the trifles which multiplied together make the greater things and, when the trifles got together in the savings bank, the savings bank and the railroad man got together and arranged a bond sale.

A dormant account is one to which neither a credit nor a debit entry has been added, or the presentation of the pass-book for the entry of interest due on the account for 22 years.

The theory seems to prevail that there is a very large amount of unclaimed deposits remaining uncalled for in savings banks throughout the state of New York, so much so that many people have the idea that many of the bank buildings owned by the savings banks were erected with the unclaimed funds of the bank. There could be no more erroneous idea than this. When we consider that there was, in 1905, only about \$2,700,000 of this unclaimed money held by all the savings banks in New York state, the most of it being in the New York City savings banks, we can readily see that the Onondaga County Savings Bank was not built with these funds, as many people seem to think.

The savings bank officers are trying all the time to keep their accounts from becoming dormant by writing for the pass-book and explaining the law to the depositor, and advertising for the party.

The man, the community that would borrow, goes to the bank—the savings bank. The man that would lend, if he knew how, and where, and when—he goes also. The one deposits—the other borrows; the debtor meets the creditor, and, through the bank, both are served. Every dollar deposited not only makes the man richer, but the community as well.

Does it reach the people? Does it encourage habits of thrift and industry? Do the people use this institution in the way that it was designed to help them? Does it get the dollar of the clerk, the penny of the child and the larger sum of the man of wealth? In evidence of this, the following is offered: The savings banks of New York state on Jan. 1, 1912, had 2,987,535 depositors, with deposits amounting to \$1,619,115,648, or over 30 per cent of the entire population of the state have savings bank accounts. Out of a population of 140,000 people in Syracuse, 84,000 have savings bank accounts, or 60 per cent. Out of a population of 11,000 people in Fulton, 5,700 have savings bank accounts, or about 52 per cent.

The savings banks in the state of Massachusetts had 2,137,543 depositors, with \$802,220,707 deposits, and the state of Connecticut had 592,988 depositors, with \$288,157,528 deposits.

While four of the oldest and largest savings banks in Philadelphia and Baltimore have deposits amounting to \$139,056,522, the amount loaned on real estate mortgages by these banks amounts to only \$14,604,427, or about .073 per cent of their deposits; savings banks in New York state have more than 55 per cent of their deposits loaned on real estate mortgages.

Some one has said: "Of the four institutions that stand for the good in life, first comes the home, then the church, then the schoolhouse, and then the savings bank." And I think he is right.

Charles S. Hotchkiss, commissioner for Alberta, has just compiled statistics showing that the population has increased between 90,000 and 100,000 during the year. He estimates that Alberta now has a population of 500,000, as against 372,538, when the federal census was taken early in 1911.

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Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.50 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.

Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.

This volume contains much valuable information and much sound discussion on money and credit.

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All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Newton, Iowa.—The State Bank has been incorporated. C. O. Macy is vice-president, and E. M. Cary, cashier.

Lily, S. D.—The Farmers Home Bank has been organized with \$10,000 capital stock. O. A. Fossum is president; O. K. Berg and J. Anderson, vice-presidents, and T. A. Fossum, cashier.

Department of New Business

NORTHWEST

Avon, Ill.—The Avon State Bank has been organized with \$25,000 capital. W. H. Rose, A. E. Lillie, H. F. Townsend and G. H. Schnieder are interested.

Gibson, Iowa.—The Gibson Savings Bank has been organized with \$10,000 capital. John Wardip is president, John B. Graham, vice-president, and Harvey Paul, cashier.

Garrett, Ind.—The Garrett State Bank has incorporated with \$35,000 capital. Howard W. Mownrz is president and Harry M. Brown, cashier.

Pleasant Hill, Mo.—The Commercial Bank has been organized. Joseph Zick, Abraham Hess and Thomas Hale are interested.

Seneca, Mo.—The Citizens State Bank has been organized with \$15,000 capital. John F. Oven, formerly a deputy state bank examiner, has assisted in organizing the bank. Mr. Oven is connected with the State Savings Bank & Trust Company, at Springfield.

Kennett, Mo.—The Citizens Savings Bank has been organized with \$30,000 capital.

Manvel, N. D.—The First State Bank has been incorporated by N. G. Nelson, of East Grand Forks, Minn., and D. A. Nelson, of Manvel.

Webster, Minn.—The State Bank of Webster, has been organized with \$10,000 capital stock. P. J. Merger is to be cashier. The bank will have its own building.

Pelican Rapids, Minn.—The Pelican Rapids State Bank is a new enterprise, the incorporators of which are: C. R. Frazee, P. C. Frazee, H. E. Frazee, G. M. Mills, H. G. Page, W. K. Frazee, all of this place, and J. A. Bjornstad, of Minneapolis.

WEST

Lula, Okla.—The Bank of Commerce has been chartered with \$10,000 capital. William Pegg, of Allen, Charles E. Head, of McAlester, W. P. Freeman, of McAlester, John E. Hall and J. A. Hamilton, of Lula, are interested.

Kenefick, Okla.—The Farmers State Bank has been organized with \$10,000 capital. E. C. Million, president; A. F. Mannings, vice-president; R. P. Dickey, cashier.

Brownlee, Neb.—The Brownlee State Bank has been organized with \$15,000 capital. H. H. Shockley, P. C. Shockley, J. L. Fisher, Fred Whittemore, and William Seelenfreund are interested.

Valier, Mont.—The First State Bank has incorporated with a capital of \$20,000. H. L. Bills, Clara Bills and J. A. Nickel are interested.

Belmont, Mont.—The Belmont State Bank has been organized here with \$20,000 capital. H. L. Drum is president; Morris Casshill, vice-president, and S. J. McPherson, cashier.

Albuquerque, N. Mex.—The American Trust Co. has been organized here, with the following officers: J. B. Herndon, president; J. Korber, vice-president, and C. G. Mardorf, cashier.

Solvang, Cal.—The Santa Yuez Valley Bank has been organized with \$25,000 capital.

Venice, Cal.—The Venice Savings Bank has been organized. Interests identified with the First National Bank have organized this institution.

Logan, Utah.—John Hendrickson, of Logan, and J. M. Cannon, of Salt Lake City, are organizing a bank here.

SOUTH

Wilmington, N. C.—The States Trust Co. is a new organization having \$200,000 capital autho-

rized. Ector H. Smith of Birmingham, Ala., W. O. Tarver, Augusta, Ga., and Virgil Walker of Newbern, are interested.

Pembroke, N. C.—The Bank of Pembroke has been organized. P. S. Cooper of Dunn, E. L. Odum and P. S. Bucks are interested.

Clinton, S. C.—The Clinton Loan & Trust Company has been organized with \$25,000 capital. G. A. Craig, B. H. Boyd, G. W. Copeland, J. M. Pitts, T. D. Copeland and L. H. Davison are interested.

Jacksonville, Fla.—The American Trust Co. has been organized. F. W. Hoyt is interested.

Crossville, Ala.—The Bank of Crossville has been organized with \$15,000 capital stock. Hugh D. Black is president.

Groesbeck, Texas.—The Farmers Guaranty State Bank has been organized with a capital of \$25,000.

Charlotte, Texas (No P. O.).—The Charlotte State Bank has been chartered. W. S. Sasser, of Charlotte, R. C. Roos, H. Roos, A. R. Ponder and Jesse Thompson, all of San Antonio, are interested.

Pyatt, Ark.—The Bank of Pyatt has been organized with \$5,000 capital. W. R. Jones is president, F. Carson, vice-president and N. H. Pierce, cashier.

Church Hill, Tenn.—The Church Hill Bank has been chartered with \$10,000 capital. S. A. Cooper, G. A. Bellamy, Claude Cooper, W. E. Kinkaid, R. R. Roodman and M. R. Strode, are interested.

EAST

Vandalia, Ohio.—The Vandalia State Bank has been incorporated with \$25,000 capital stock. W. H. Riley, E. O. Rankin, H. H. Cassel, R. E. Jackson and F. W. Rosnagle are interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

and for Appalachia, Gate City, Norton and Abingdon, Va. The Dominion National remits at $\frac{1}{8}$ on all of the towns named and for 1-10 on Bristol alone.

NORTHWESTERN NATIONAL bank letter in treating of Minneapolis conditions gives considerable space to the recent Conservation Congress held in that city. The Northwestern gives a great deal of time and considerable money to the upbuilding and development of its customers' business.

ITS review letter says that the demand for money in the Northwest continues brisk at a strong rate, showing no material change over last month. All of the local banks are in funds sufficient to meet the demands.

CASHIER.

INTERESTING EXHIBIT

Chicago and Illinois bankers visiting the big land show at the Coliseum should not fail to see the exhibit of the Sunrise Orchards of Huntington, W. Va. This is the property of R. M. Dalzell of Huntington, whose father, R. C. Dalzell, is cashier of the State Bank of that place. This exhibit of apples puts West Virginia in the forefront of apple-producing states.

A charter has been issued to L. H. Gilster, Jr., Ralph E. Sprigg and Charles F. Wedge, all of Chester, Ill., to organize the State Bank of L. H. Gilster & Co., to be located at Chester. The organizers certified to a capital stock of \$25,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

and each section is adapted to some special line of business. Probably there never has been printed a greater time and labor saving work on figures in the world.

MR. ROPP has figured out every calculation himself and offers a reward of fifty dollars for every error to be found within its covers. This alone ought to be an incentive for young bank clerks of arithmetical turn to review it carefully. Christian Ropp makes his headquarters at 202 South Clark Street, Chicago, where he is in business as "C. Ropp & Sons," and will be glad to answer any inquiries. So far as a personal examination goes, this little work would seem better adapted for bank distribution among farmers and mechanics as a souvenir or advertisement than anything which ever has come to the attention of this department.

ONE of Mr. Ropp's sons is an accomplished engineer and made all the drawings contained in the book. Another son set all the type, and in short, it is a family affair based entirely upon integrity and ability and furnishes an astonishing amount of information for a very small sum.

THE enterprising Frisco Lines have established what Chicago and the Northwest have wanted for a long time. December 15th they will begin running a solid train of Pullmans through to Florida without change.

IT is planned that these trains de luxe will leave Chicago about 10:30 in the morning, arriving at Jacksonville the next evening and at Palm Beach the following morning. Everything from head-light to observation car is of the latest creation by the Pullman company and all meals will be served on diners.

THESE splendid trains will pull out from Chicago over the C. & E. I. Railway and will be an addition to the regular service. Connection will be made with steamers from Key West bound for Panama and other ports.

ABOUT twenty years ago the supreme court of Illinois made a decision in a case where a suit for damages had been entered on account of a check having been returned when there were funds in the bank to cover it.

THE court went to the extreme in giving its opinion on the matter and said: "The bank will be liable to such drawer in an action for substantial damages without proof of actual damage or any malice on the part of the banker."

UNDER this decision a suit has been tried against the Northwest State Bank, which returned a check for \$11.40 when it was good. The plaintiff admitted that he had suffered no damage, but sued under the decision quoted above.

THE trial judge instructed the jury that they must find in favor of the plaintiff, but that the amount of the award should be determined by the actual damages sustained. The jury, contrary to the court's instruction, returned a verdict of "not guilty" and the plaintiff's attorney made a motion for a new trial.

IT is said to have been the bank's intention in case a verdict for damages in the suit was made, to have appealed to the state supreme court again, with a certificate of importance attached, asking for a new construction of the law. As it happens, this duty will devolve upon the plaintiff.

THE case in which this cow-catcher decision was made occurred under very different conditions from those of to-day. Banks now

have innumerable small accounts and handle a large volume of checks in comparison with those of the time when the decision was rendered. Such errors must be of frequent occurrence and are almost unavoidable. No matter what the result of the present trial may be, the bankers of the state of Illinois should secure an amendment requiring proof of actual damages to be shown before recovery can be made. If the supreme court should revise its decision in such matters, the same end would be attained. At the present time the plaintiff is entitled to substantial damages according to the court, whether he may have sustained actual damages or not.

WORD comes from Boston that the big A. B. A. convention of 1913 will be held the first week in October. Headquarters will be at the Copley-Plaza, which hotel only would give the convention officials reservations on three hundred rooms.

BOSTON is not so well supplied with hotels as most other cities of its size and importance and consequently reservations are being made at all near-by hotels. The sessions will be held in the hotel convention hall. The banks there are expecting an enormous attendance and a fine program of entertainment will be provided.

YOU may not have noticed in the Chicago Tribune of Sunday that among the banks which did not reply on the question of state supervision were those controlled by the president and vice-president of the Illinois Bankers Association.

PRESIDENT JOHN D. PHILLIPS had not time to send in his response from the office of the Green Valley Bank at Green Valley. Vice-president S. B. Montgomery, of the Illinois Bankers Association, is president of the Bank of Rushville, at Rushville, and of the State Loan and Savings Bank at Quincy. He did not have a postal card which was large enough to contain what he might have had to say.

COL. J. S. AISTHORPE, who is chairman of the council, and president of the First Bank and Trust Company at Cairo, was among the very first to respond and came out emphatically in favor of supervision. These little things are mentioned so that the record may be kept straight.

HARRIS TRUST, Chicago, is trying out the finger print identification system in the savings department.

WE hear the Big Fellow over at the Continental has cut out the mid-day eats.

BOTH Debs and Roosevelt had the largest votes in Illinois. On whom is the joke?

FRANK K. HOUSTON of Nashville was not able to resist an opportunity to follow the flag of his former commander, F. O. Watts. After December 15th, he will be found over at the Third National, St. Louis.

HOUSTON was Watts' right-hand man and was the most active young banker in the state.

HE was the first president of the Nashville chapter of the American Institute of Banking, and is a graduate of the national organization. He had established himself in a business way in Nashville, where he will be missed by the many progressive organizations in which he has been a conspicuous figure.

MR. HOUSTON is the son of Congressman W. C. Houston of the Fifth Tennessee congressional district, and is a graduate of Vanderbilt University. He was formerly secretary of the Tennessee Bankers Association, and later became assistant cashier of the First

National. Upon the consolidation of the Fourth and First National Banks he remained in his position.

SECRETARY C. S. WEBSTER has sent out the Vermont Bankers Association proceedings book, covering the convention held at White River Junction August 16th.

ARCHIBALD WEBB, a Chicago broker, was a guest at the annual banquet of the Broad Apron Club at Hannibal, Mo., on Thanksgiving Day and carried off first honors by eating three quails and two ducks along with a quantity of other good things.

EX-PRESIDENT J. P. HINTON of the Missouri Bankers Association, writing from Hannibal about Mr. Webb's accomplishment, says: "I tremble to think what might have happened had an Illinois private banker been a guest at this banquet instead of a mere bond broker."

THIS is a new feature of the private banker question in Illinois and it may be that after the privates are put under state supervision so far as their banks are concerned, that they will be forced to undergo pure food supervision of some kind to see that when they attend a banquet in adjoining states nothing too serious may happen to the "eats."

WILLIAM POFTSOCK, who lives out on West 15th Street, Chicago, has been a long time unbeliever so far as the safety of banks is concerned. The night before Thanksgiving he counted his savings over and found he had around five hundred dollars. Some time during Thursday he went to recount the money and found it was gone.

THESE are the sort of individuals that the savings bank section committee on thrift and savings is after. The chairman of the Illinois committee in charge of the work is President Joseph R. Noel of the Northwest State Bank.

BALTIMORE has had a big bank consolidation, uniting the fortunes of the Merchants National and the National Mechanics under the presidency of D. H. Thomas.

JOHAN B. RAMSEY will be chairman of the board of the joined institutions and the dispatches give full credit to Brown & Sons of Baltimore for bringing the two institutions together. Negotiations were carried on so quietly that the announcement came as a great surprise to the neighboring banks in Baltimore.

THE Merchants had around twelve millions in deposits and the Mechanics about seven millions. Total resources will be, in round numbers, twenty-five millions and there will be no change whatever in the dividend rate, both banks having previously paid the same.

IT is said that a powerful Baltimore syndicate was organized for the purpose of taking over the shares of any of the stockholders in either institution who did not wish to participate. Shares were to have been taken over by this syndicate at a slight advance over the market rate.

BALTIMORE financiers have found, just as has been found in other cities, that the present-day method of conducting business operations requires banks with larger capital. A conspicuous example was cited of Boston, which a few years ago had sixty-five banks and now has but twenty, and the deposits of the twenty are more than double those of the sixty-five. The city of Baltimore expects to benefit greatly by the increased capabilities of the new institution.

PRESIDENT H. E. JONES of the Dominion National at Bristol, Va.-Tenn., is very proud of a new hotel just finished in that city. He calls attention also to the growth in population as well as the fact that Bristol is the natural collection point for Johnson City, Jonesboro, Elizabethton and Mountain City, all in Tennessee;

(Continued on page 30)



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

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CLARENCE A. BURLEY, Attorney and
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HENRY P. CROWELL, President Quaker
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WILLIAM A. GARDNER, President Chi-
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New Trains to ST. LOUIS

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
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New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
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Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Phone Central 6270



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send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

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H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

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President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

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CORRESPONDENCE INVITED

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E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

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RICHARD L. AUSTIN
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Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

DECEMBER 7, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

The Call

Naturally the call of November 26th found the Chicago National reserve banks "down" and the State banks "off" in deposits. The withdrawals for crop moving and dividend purposes have been very heavy. Deposits in the national banks decreased virtually \$40,000,000 between September 4th and November 26th. In the same period loans were contracted only \$8,600,000 and total cash resources were reduced \$28,000,000. The reductions in deposits and cash are the result of the western and southern call for funds. The banks that carry the largest country balances made the largest deposit losses. The cash resources of the banks in September were equivalent to about 41 per cent of total deposits. They were reduced November 28th to about 38¾ per cent.

Sixty-two state banks and trust companies reporting their condition as at the beginning of business November 27th, show about \$508,500,000 deposits, a decrease of \$9,400,000 as compared with the amount reported for November 5th. The state bank deposits, with those of the national banks reported, make a total of \$956,000,000, or \$49,000,000 less than the total in September.

During the period between the two calls for statements the state banks increased their loans \$12,000,000 and lowered their total cash resources by \$18,000,000. The proportion of cash reserves to deposits in the state banks November 27th was about 24 per cent, in the national banks 38.75 per cent, and in all the local banks about 31 per cent.

J. FLETCHER FARRELL COMMENTS ON ELECTION

J. Fletcher Farrell, vice-president of the Fort Dearborn National of this city, expresses himself as quite well satisfied with the result of the recent presidential election. Mr. Farrell is serving his second term as treasurer of the American Bankers Association. He is a familiar figure at bankers' conventions and enjoys the acquaintance of financiers all over the country. When interviewed this week he said:

"The election of Governor Wilson has not had any disquieting influence upon business conditions. With the republican party split nearly in half the business men of the country had regarded the election of a democrat as a foregone conclusion. No apprehension was felt in regard to this situation because of a general belief that the democrats would not manifest any inclination to enact legislation of a character inimical to business interests. As a consequence of this general feeling no surprise or alarm was felt when the result of the election was made known.

"I believe there ought to be a reduction of the tariff and that it should be made as speedily as possible. I think, however, that a considerable degree of caution should be used in the accomplishment of this reform and that there should be such a revision as will be consistent with good judgment and prevailing conditions. No radical course should be

Chicago Bankers Figuring In Week's News



S. W. STRAUS



JOHN FLETCHER

Mr. Straus, in addition to being president of S. W. Straus & Co., is the head of the Franklin Trust & Savings, recently opened for business on the south side. The Franklin Trust has absorbed the Douglas State, thereby making its deposits well over a million.

Mr. Fletcher is the active vice-president of the Drovers Deposit National, the directors of which have recommended an increase of twenty-five per cent in the capital stock, which will enlarge the present capitalization of the bank from \$600,000 to \$750,000. The matter will be acted upon by the stockholders, January 14th.

adopted in this most important work. There also is a great necessity for adequate currency legislation."

Speaking in regard to business conditions, Mr. Farrell said:

"Business is on a firm basis, with increased activity in all lines, in some cases the demand far exceeding the supply. There is a healthy demand for money at good rates. I believe that the present price for money will be maintained until the first of the year."

GLASS INVITES BANKERS TO SERVE IN ADVISORY CAPACITY

A number of prominent bankers and financiers of the country will appear before the subcommittee of the house committee on banking and currency, at the invitation of Chairman Glass, to assist in the preparation of the proposed currency bill.

Among those to whom invitations have been extended are A. B. Hepburn of New York City, James B. Forgan of Chicago, Festus J. Wade of St. Louis, J. Laurence Laughlin of Chicago, Paul Warburg of New York City, J. V. Farwell, ex-Congressman Charles N. Fowler of New Jersey, ex-Secretary of the

Treasury Leslie M. Shaw of Philadelphia and Victor Morawetz of New York City.

The committee will begin its hearings during the week of January 6th.

CHICAGO BANKS DECLARE DIVIDENDS

Dividends were declared this week by the Peoples Trust and Savings, the Colonial Trust, the Merchants Loan and Trust and the Live Stock Exchange National. The Peoples Trust is in the shape of an extra dividend of 2 per cent to be paid January 2d with the regular quarterly dividend of 2 per cent. Directors of the Merchants Loan declared the regular quarterly dividend of 4 per cent, payable January 1st to stockholders of record December 25th; Colonial Trust the regular quarterly dividend of 2 per cent and an additional 1½ per cent, payable January 1st to stockholders of record December 25th; Live Stock Exchange National regular quarterly dividend of 2½ per cent and an extra dividend of 2 per cent, both payable December 31st to stockholders of record on that date.

The dividend declared by the Peoples Trust
(Continued on page 6)

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

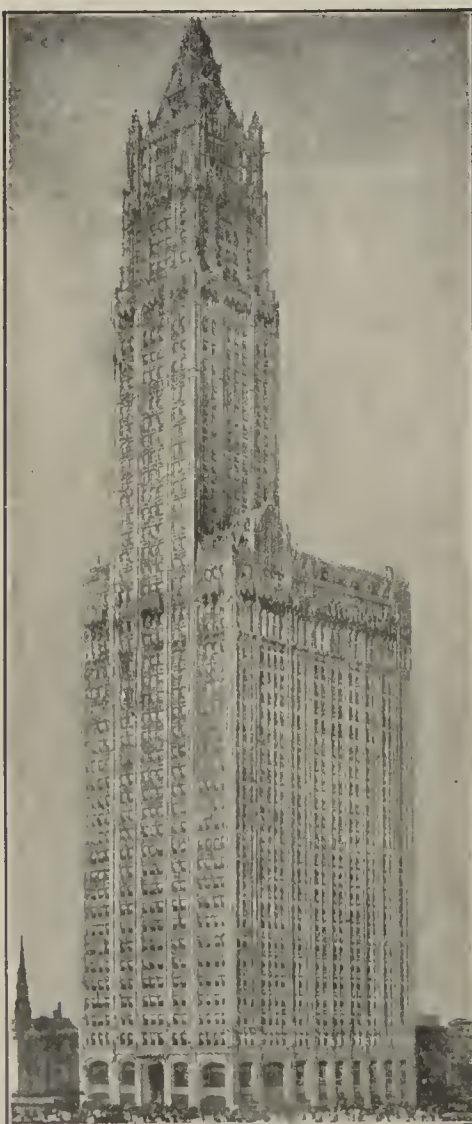
A black and white photograph of the Hotel de Ville in Paris, a large, ornate building with many windows, viewed from a low angle on a street. The building features a prominent corner tower and a series of arched windows on the upper floors. The street in the foreground is busy with cars and pedestrians.

NATHANIEL R. LOSCH	-	-	-	Cashier
HARVEY C. VERNON	-	-	-	Assistant Cashier
GEO. B. SMITH	-	-	-	Assistant Cashier
WILBER HATTERY	-	-	-	Assistant Cashier
H. ERSKINE SMITH	-	-	-	Assistant Cashier
JOHN R. WASHBURN	-	-	-	Assistant Cashier
WILSON W. LAMPERT	-	-	-	Assistant Cashier
DAN NORMAN	-	-	-	Assistant Cashier
FRANK L. SHEPARD	-	-	-	Auditor

Surplus \$1,000,000

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



The Willingness to Serve The Equipment to Serve Well

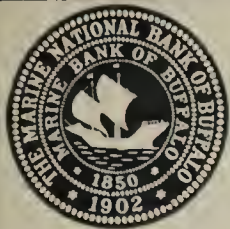
Irving National Bank

NEW YORK

Strictly a Commercial Bank

Capital	-	\$4,000,000
Surplus	-	3,000,000

				ROLLIN P. GRANT	-	-	-	-	President					
JAMES E. NICHOLS	-	-	Vice-President				HARRY E. WARD	-	-	-	-	Cashier		
WILLIS G. NASH	-	-	Vice-President			D. H. G. PENNY	-	-	-	Assistant Cashier				
BENJ. F. WERNER	-	-	Vice-President			RICHARD J. FAUST, Jr.,	-	Assistant Cashier						
CHARLES H. IMHOFF	-	Vice-President			J. FRANKLYN BOUKER	-	Assistant Cashier							
EMIL KLEIN	-	-	-	Vice-President		SAMUEL REDFERN	-	-	Assistant Cashier					



MARINE NATIONAL BANK, BUFFALO, N.Y.

The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

CAPITAL AND SURPLUS EARNINGS, \$3,500,000

TOTAL RESOURCES, OVER \$36,000,000

ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, MERCANTILE FIRMS AND INDIVIDUALS INVITED

Mainly About Banks and Bankers

THE newest thing in railroading is the Illinois Central's Panama Limited. The man who rigged up that fetching title and had the nerve to preempt it is a full blown daisy.

S. W. STRAUS, Chicago's big mortgage and bond broker, looks and acts as little like a "sucker" in the financial sense as comes to the lot of man.

YET he says "my name is on a number of 'sucker lists.' The phrase 'sucker list' is borrowed from the genial lingo of the get-rich-quick promoters, who term anyone on their mailing list who receives their literature regularly a 'sucker,' and the list itself a 'sucker list.' The buying and selling of 'sucker lists' used to be quite an industry.

ORDINARY names sell for about fifty cents apiece, while the names of those who previously purchased worthless stock, and had money and disposition to purchase again, were worth as high as \$5.00 each. Once anyone gets on a 'sucker list,' he is liable to be bombarded with get-rich-quick circulars from a dozen or a score of promoters for years to come."

MARTIN A. GRAETTINGER still is on the job over at the Central Manufacturing District bank. Ernest E. Herrell was elected to be a teller. Mr. Graettinger is the cashier and in a very healthy state of being both physically and mentally.

HOW TO INVEST WHEN PRICES ARE RISING" is a new book published by G. Lynn Sumner & Co., Scranton, Pa.

IT provides prescriptions by eight or ten economists and experts on "a scientific method of providing for the increasing cost of living."

REALLY it is an able and clear symposium based on the title line and worth many, many times its cost.

WE should like to renew our acquaintance in the off season with the affable gentleman who gives away those beautiful three cornered pencils at the Illinois group meetings.

ANYBODY heard anything about the A. B. A. administrative committee meeting? Or for that matter is it to be Hot Springs or somewhere else for the May meeting of the big council?

TEXAS has gone one better than mere bank supervision. An attempt is to be made, under the leadership of Secretary of State McDonald to put building and loan

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

GOOD INVESTMENT OPPORTUNITY

Wisconsin business man has opening for man with some money to invest. Also has valuable securities such as farm mortgages, which he offers at a discount. Address,

B-6, Care of CHICAGO BANKER
407 MONADNOCK BLOCK CHICAGO

associations, under which guise private banking is being carried on in that state, under supervision also.

THE going has been good out in the stock yards district and the Drovers Deposit National is increasing its responsibility to depositors by an addition of \$150,000 to capital. The dividend rate now is twelve per cent.

EDWARD TILDEN is the "heavy weight" of the institution, while the active management has been for several years in the hands of Vice-president John Fletcher. Fletcher is an Iowa product, having been graduated from a very successful Cedar Rapids institution.

PREVIOUS to Mr. Tilden's taking the presidency, Richard T. Forbes, now president of the First National, St. Joseph, Missouri, was the president, and he put the business of the institution on a very firm and prosperous footing. Rumor had it when Mr. Forbes went to St. Joseph, that Fletcher would take the presidency, but it is understood that it was at his own request that Mr. Tilden occupies the chair. Mr. Fletcher is a very youthful looking man but a very successful and seasoned banker. Bankers well understand that what Fletcher says about the institution "goes."

IT did not require much time for the Franklin Trust and Savings out at Michigan and 35th Street to get on its feet. So rapidly has its business developed that it felt justified in taking in a rival institution, also in a prosperous condition.

S. W. STRAUS, the president of the merged institutions, is one of Chicago's most active financial minds. He is at the head of an enormous real estate, loan and brokerage business and is rated one of Chicago's most promising essentials.

EDGAR F. OLSON, cashier of the Franklin Trust, has shown a genius for acquiring new business and is given credit for much of the material prosperity which has come to the Franklin. Olson has had a diversified banking experience, but for a few years prior to the opening of the Franklin was engaged in other business. During his lay-off, he continued to study deeply into the bank building question. When he took charge of the business of the newly organized bank, he let loose a whirlwind of ideas which he had accumulated. The figures which have been published in the various statements issued by the Franklin fully justify his methods. It is expected that the Franklin will become one of the important outlying banks.

DON S. CULVER is to be one of the new northwestern banking magnates. Upon the retirement of two of St. Paul's most conservative and respected bankers, Judge Lusk and Kenneth Clark, a big amalgamation was put over uniting the two banks. There was an abundance of material for the presidency of the enlarged institutions and the situation was wisely handled by making Culver the president, and Prince chairman of the board. The ex-presidents, Lusk and Clark, will remain on the board in an advisory capacity. This will give St. Paul an institution which will require James J. Hill to spread himself a little if he is to have the dominating bank.

PRESIDENT BYRON W. MOSER of the Institute has gotten together a publicity committee which ought to do wonderful stunts for the chapters. Ellsworth of the Guaranty Trust, New York, is chairman, and among the well-known members of the committee are G. W. Cooke of the First National, Chicago; R. S. Hecht of the Hibernia at New Orleans; and John C. MacLean of the Security, Minneapolis.

THERE ought to be enough of the right kind of energy and ability in such a committee to make the administration of Mr. Moser not only successful, but give the Institute the

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing.

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. S. BISHOP, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President	
DIVISION "F" (BANKS AND BANKERS)	
AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
J. F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS		
Charles H. Wacker	Charles H. Hulburd	Martin A. Ryerson
Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Crosby	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



A BANK NEEDS

JUST AS MANY CORRESPONDENTS AS WILL CARE
FOR ALL PARTS OF ITS BUSINESS PROPERLY.
IF YOUR BUSINESS INCLUDES ANY TRANSACTIONS
AT THE CHICAGO LIVE STOCK MARKET

YOU NEED

AN ACCOUNT WITH

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Arraigns Improper Use of Trust Company Titles

The Illinois statute, chapter 38, section 220, provides:

"If any company, association or person puts forth any sign or advertisement, and therein assumes, for the purpose of soliciting business, a corporate name, not being incorporated, or being incorporated puts forth any sign or advertisement, assuming any other or different name than that by which it is incorporated or authorized by law to act, such company, association or person shall be fined not less than \$10 nor more than \$200, and a like sum for each day he or it shall continue to offend, after having been once fined."

Owing to an opinion rendered some time ago by the attorney-general, in which it was held the burden of proof is on the plaintiff to show that as a result of the use of the corporate title he thereby was deceived and as a consequence suffered loss, the perfectly obvious intent of the legislature seems to have been nullified.

The present law of Illinois relating to incorporated trust companies is quite comprehensive in its scope, and if complied with by all persons or associations holding themselves out as trust companies, would prove thoroughly adequate. The report recently submitted by the Dawes committee recommends the prohibition of the use of the words "trust company" by other than corporations, a violation of which provision is made a misdemeanor. In several of the states of the Union, laws have been passed restricting the use of trust company titles.

—ED.

Encouraged by the public demand for supervision of private banks, the officers of incorporated trust companies in this city and throughout the state are preparing to unite in an effort to stop irresponsible individuals and syndicates from exploiting stock promotion schemes, offering "fake" investments and making loans at usurious rates under the disguise of being "trust companies."

For many years the regularly chartered trust companies of this city have had to contend against the prejudice caused by the dishonest practices of individuals and copartnerships who have taken advantage of the loose banking laws of Illinois to engage in questionable business ventures as bona fide trust companies.

The same disgraceful condition of affairs which allows any man to cloak his operations under the guise of "banker" applies even more forcibly to the misuse of the title of "trust company."

The initiative in this campaign has been taken by the committee on protective laws of the trust company section, American Bankers Association, through Vice-president E. D. Hulbert of the Merchants Loan and Trust

C. A. Luhnow, editor of "Trust Companies," points out evils incident to use of the words "trust company" by unincorporated associations and advocates such legislation for Illinois as will preclude this pernicious practice

Company of Chicago, who is local representative of this committee.

How Patrons Are Deceived

In connection with this movement a preliminary investigation has been made to ascertain the extent to which the name "trust company" is being misapplied in this city and the evil consequences of such deceptive methods.

A mass of interesting information has been obtained showing there are numerous unincorporated concerns and private syndicates operating as "trust companies" and using high sounding titles in order to mislead the public and their own patrons. The lack of prohibition of the Illinois statutes also has induced a number of syndicates to obtain trust company charters in other states and to maintain their offices here. By employing this device they are immune from surveillance or examination both in the state where the charter has been granted, and in this city, where they assume to be in the same category with the legitimate trust companies which have achieved enviable reputations in the management of estates and as banking organizations.

High Sounding Titles Used

In some instances, literature has been circulated describing the high standing and profitable character of the regularly chartered trust companies as a bait to "prospects." Some of these pseudo "trust companies" use practically the same titles as incorporated trust companies. In fact, these promoters often select the names of the trust companies which are among the oldest and strongest in the city.

This not only has resulted in confusion in the transaction of business or delivery of mail, but likewise misapprehension, especially in cases where such private "trust companies" have folded their tents like the Arab and disappeared with moneys intrusted to them or subscribed for some "fake" investment.

The postal authorities and the United States secret service recently have made a number of wholesale raids on syndicates which have operated schemes of various kinds. Thanks to the aggressive work of the committee of the trust company section on protective laws, most of these promoters are prevented from conducting their swindling operations under the name of "trust company" as formerly.

There are a number of so-called "trust com-

panies" maintaining elegant suites of offices in prominent office buildings in this city. They are unincorporated and transact almost every kind of business except that for which legitimate trust companies are chartered. Some of these are nothing else than loan shark enterprises. Others are "holding companies" for speculative or imaginative corporations, the stock of which is offered on alluring promises of large dividends. There still is another kind which acts as "guaranty company" for some allied promotion venture and rakes in fees for alleged examinations, etc.

Widows and Minors Victims

Under existing conditions any individual may employ the title of "trust company" the same as that of "banker" and solicit such business as the management of estates, the care of property and funds left by deceased persons under will.

This does not refer to private executors and trustees or administrators who are appointed by testators because of their responsible character. It pertains solely to those who use the title of "banker" or operate under trust company titles without being incorporated under the banking laws.

Included in the losses suffered by the failure of numerous "private bankers" in this city within recent years are the funds and property of widows and minors for whom these defaulters acted in fiduciary capacities.

E. D. HULBERT TELLS OF TRUST COMPANY SECTION WORK

E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, is an enthusiastic advocate of legislation restricting the use of the words "trust company." When interviewed this week concerning the work of the A. B. A. committee having the matter in charge, he said:

"The committee on protective laws of the trust company section of the American Bankers Association consists of Lynn H. Dinkins, New Orleans, chairman; Herbert A. Rhodes, Boston; Samuel W. Reyburn, Little Rock, Ark.; P. C. Kauffman, Tacoma, Wash., and myself. It is the duty of this committee to secure legislation in the various states for the protection of trust companies and trust funds. A good deal of its work has been directed toward preventing the misuse of the word 'trust.' Many states have passed laws in this respect, but in Illinois, although there is a statute relating to the misuse of corporate titles, it has not proven effective enough to prevent any unincorporated association of individuals who so desire, from calling themselves a 'trust company,' and not being incorporated, they are not compelled to comply with the regulations pertaining to trust com-

Total
Resources
\$16,000,000

**CITIZENS NATIONAL BANK
OF BALTIMORE**

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPELL
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased.

Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00

panies as set forth in the Illinois statute. The committee hopes to get some action at the coming meeting of the legislature.

"Iowa has a very simple law providing that any concern doing business in that state having the word 'trust' in its name must comply with the laws of the state relating to trust companies. This is so simple and reasonable that it is hard to understand why any one should object to it, except for selfish reasons. We hope some law may be enacted in this state similar to this, which will include the word 'bank' under the same principle, i. e., providing that all concerns doing business in this state and using the words 'trust' or 'bank' as a part of their name shall comply with the laws of the state relating to trust companies and banks."

MERCHANTS LOAN STARTS PENSION FUND

At a meeting of the board of directors of the Merchants Loan and Trust Company this week it was decided to create a pension fund for the benefit of superannuated employees and their families after death. This plan will become effective January 1st and the benefits will be retroactive. The fund will be started by a liberal contribution from the surplus of the bank and employees will contribute after the first of the year.

Two other Chicago banks have adopted pension systems, viz., The First National, started several years ago and amounting to around a million dollars, and the Corn Exchange, started a few years ago. It is said that other Chicago banks are considering the advisability of the creation of a pension fund.

REPORTS INTEREST IN ROAD IMPROVEMENT

J. C. Cavender, cashier of the American Trust and Savings, which recently opened for business at Hobart, Ind., was a Chicago visitor Monday. Mr. Cavender says that Lake County, Indiana, is thoroughly progressive in the matter of road improvement; that they have a road built of crushed stone which extends from West Hammond on the western limits of the county to the Porter county line on the east, and at present the county, under its gravel road bond legislation is buying and shipping gravel from Will county, Illinois, to improve the principal roads in Lake county. Mr. Cavender further stated that while at first there was some little opposition on the part of the farmers, now they are as enthusiastic as other citizens of the county in urging this permanent road improvement.

GEORGE W. TELLING IN TOWN

George W. Telling, cashier of the Commercial Trust and Savings of Danville, Ill., was a caller in Chicago's financial district Monday. Mr. Telling says that the crops are being slowly marketed in the Vermilion county territory, with a fairly good demand for money locally.

CHICAGO BANKS DECLARE DIVIDENDS

(Continued from page 1)

makes 10 per cent for this year. The bank has been in operation two years and now has deposits of \$7,400,000.

Dividends also were declared by the Continental and Commercial National, the North Avenue State, the West Side Trust and the Michigan Avenue Trust. The Continental is the regular quarterly dividend of $2\frac{1}{2}$ per cent, payable January 1, 1913, to stockholders of record December 20th; North Avenue State, regular quarterly dividend of $1\frac{3}{4}$ per cent, payable January 2d to stockholders of record December 24th; West Side Trust, regular quarterly dividend of 2 per cent and an extra dividend of 2 per cent, both payable January 1st; Michigan Avenue Trust an initial quarterly disbursement of $1\frac{1}{4}$ per cent on the \$200,000 capital, payable January 2d to stockholders of record December 26th. The bank began business in October, 1910.

I. B. A. ROAD COMMITTEE MEETS

Members of the good roads committee of the Illinois Bankers Association met at association quarters in the Rookery, Chicago, Wednesday, December 4th at ten o'clock. Those present were Chairman S. E. Bradt, vice-president of the First National, DeKalb; George M. Stimson cashier A. G. Danforth & Co., bankers at Washington, Ill.; O. P. Bourland, president National Bank of Pontiac; Stewart L. Crebs, vice-president of the National Bank of Carmi, and M. O. Williamson, president of the Peoples Trust and Savings, Galesburg.

The committee met at the call of Chairman

Bradt to consider the best method of organizing the sentiment existing among the bankers of Illinois for the support of a legislative program. The members of the committee all were enthusiastic and actuated by a sincere desire to do something effective to improve the road conditions in Illinois, recognizing the great need of work along this line. The members of the committee believe that good results would be obtained by following Chairman Bradt's suggestion of organizing the bankers into strong local committees in each of the senatorial districts of the state, with a view of their approaching the members of the legislature personally and convincing them that the time is ripe in Illinois for a change in our road laws.

SALT LAKE BANK TO HAVE NEW HOME

L. H. Farnsworth, vice-president of Walker Brothers, bankers, Salt Lake City, Utah, was a recent Chicago visitor. Mr. Farnsworth reports good crops in Utah and a general prosperous outlook for the future. Within a very short time Walker Brothers will occupy their new home, recently constructed on the corner opposite their present banking location. This new building is a splendid structure, modern in every respect, and will give Walker Bros. one of the best homes of any bank in the whole region of country between Chicago and the coast.

KIRBY ADVERTISING NOVELTIES

One of the means adopted by the defunct Kirby Savings Bank for advertising its business was a button, at the top of which is a number. Underneath the figures the following words appear: "Bring your button mate in and get \$1.00 each." Also a little savings bank for dimes, and a looking glass, were used. The bank was advertised as "The Savings Bank of the People."

DEFINITION OF A PRIVATE BANK

The following is the way to start a private bank, according to Frank C. Hajicek, a private banker who was sued for \$900 this week by one of his depositors: "Just partition your office off and put in fixtures and openings, then you put up a sign and take in the money." When asked in court as to who constituted his bank he said: "I am the bank." Judgment was rendered against him for \$900. He now is president of the Lawndale State and vice-president of the Lawndale National banks, which two institutions, it is said, have taken over the deposits of his private bank.

John M. Crebs, president of the National Bank of Carmi, Ill., visited Chicago on Wednesday to attend the stock show. Mr. Crebs has been an enthusiastic worker for years in matters pertaining to the Illinois state fair and the state board of agriculture.

Geographical Distribution

In purchasing railroad bonds the question of the territory served is of the utmost importance, for upon this depends the character of the traffic received and hence the revenue of the company. Diversity of traffic underlies a diversified investment. The larger the territory, the more diversified the traffic, and therefore the more stable the earning power.

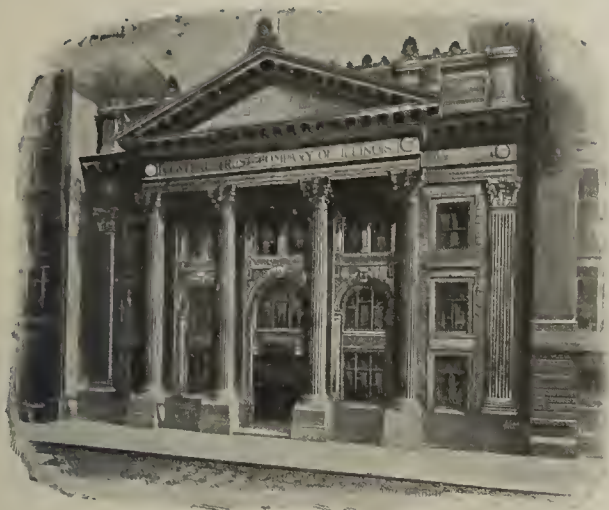
We offer three railroad bonds, each well secured and in combination making a well-rounded investment, at prices to yield an average income of over $5\frac{1}{4}$ %. The traffic of these roads is derived from three widely separated sections of the country.

Ask for Circular RB-924

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits . . . 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

REPORTS HIGH DEPOSITS FOR FORT WAYNE

Theodore Wentz, cashier of the German-American National of Fort Wayne, Indiana, visited Chicago on Tuesday. Mr. Wentz says that while there is a strong local demand for money at Fort Wayne, deposits have remained high; there is some corn moving and farmers in the sugar beet territory will receive payment for their crop during the month of December.

FRANKLIN TRUST AND SAVINGS ABSORBS DOUGLAS STATE

Franklin Trust and Savings, of which Simon W. Straus, president of S. W. Straus & Co., also is president, announces its absorption of the Douglas State Bank, liquidated Saturday evening. All assets and liabilities of the Douglas State were taken over by the Franklin Trust & Savings.

This acquisition increases the deposits of the Franklin Trust and Savings to more than \$1,000,000. The bank opened April 8th, last, with \$212,275.93 in deposits, and has reached the million-dollar mark in less than eight months.

It will issue \$100,000 of new capital stock, increasing its capitalization to \$300,000. This stock will be sold on a basis of one share for two to stockholders of record of the Douglas State, at 137½, thus enlarging the Franklin Trust and Savings surplus from \$50,000 to \$87,500.

President Straus announces that no change will be made in the policy of the Franklin Trust and Savings Bank.

SELLS LARGE TRACT

Byron L. Smith, president of the Northern Trust Company, has sold to Edward I. Bloom the block bounded by Drexel Blvd., Ingleside Avenue, East Fifty-first and East Fifty-second Streets, having a frontage of over 1,200 feet and located in one of the best residence districts in Chicago.

FORMING A NEW BANK

Indianapolis, Ind., December 3d.—W. F. Churchman is organizing a bank, to be known as the Capital State Bank. He was associated with the Capital National Bank for a number of years. The new bank will have a capital stock of \$200,000. Interested with him are H.

C. Churchman, Dr. Sollis Runnels, A. R. Nicholas and Jacob Woessner. They expect to incorporate within a short time.

ONE MILLION TWO HUNDRED AND TWENTY THOUSAND DOLLAR COMPANY TO LEND TO FARMERS

Plans for a farm mortgage bond and trust company, to be capitalized at \$1,000,000, with a surplus of \$220,000, its object the stimulation of agriculture by meeting the wholesale demands of farmers of the Middle West for money with which to handle their products, were made this week.

The organization of the concern, the Central Farm Mortgage, Bond and Trust Company, is in the hands of J. L. Wilson & Sons, 19 South LaSalle Street.

GEORGE M. REYNOLDS URGES CENTRAL RESERVE

George M. Reynolds, in criticising the inadequate banking laws of the country and in urging the need of a central reserve, said:

As a result of the system of redepositing reserves the national bank statements show reserves greatly in excess of actual cash holdings. Reserves of \$1,500,000,000 now are shown with less than \$1,000,000,000 of cash. The country banks report reserves of more than \$500,000,000, but more than half of these

reserves are in the form of credits at reserve banks. In the same way the reserve banks show reserves of nearly \$500,000,000, but only about half of these are cash in hand. The rest are credits at central reserve banks.

While the official returns of the national banks show reserves of 21 per cent against deposit liabilities, the actual cash reserves are less than 14 per cent.

This system of redepositing reserves, without any foundation of a great public single reserve upholding the whole structure of credit, collapses whenever the country banks and reserve banks, in a time of panic, attempt to convert their credits at the central reserve banks into cash in hand.

As soon as the country banks attempt to draw down any large part of their \$250,000,000 deposits at the reserve banks and the reserve banks turn to the central reserve banks (New York, Chicago and St. Louis—but, in the end, New York) our system fails.

The New York National banks, the holders of the ultimate reserves, carry net deposits for other banks of \$500,000,000, and any general attempt on the part of interior banks, in a money panic, to draw cash against these deposits, must inevitably result in disaster.

No Reserve Laws Abroad

We have stringent cash reserve laws, not only for all national banks, but for many state banks. No other banking country requires its banks to keep cash reserves. But we have money panics and they do not. In times of stress, our banks stop paying cash and stop loaning, intensifying distress. In other countries the banks meet financial storms by paying cash freely and loaning freely.

In other banking countries, with the single-reserve system, where money panics are unknown, and where there are no violent, business-disturbing fluctuations in interest rates, no importance is attached to individual money reserves. The chief reserves of foreign banks are the secondary reserves—liquid resources which can be quickly sold or rediscounted at the central reserve reservoir. These secondary reserves are largely discounts based on goods soon to be consumed. The discounts are highly liquid, because the consumption of the goods liquidates the loans.

Our secondary banking reserves are chiefly call loans on investment securities. A great mass of these loans cannot be liquidated without creating a stock exchange panic. And the

(Continued on page 13)

J. HERBERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

free of charge upon request.

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NEW YORK STOCK EXCHANGE
CHICAGO BOARD OF TRADE CHICAGO STOCK EXCHANGE

THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA. 427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,475,000.00
Deposits - - - 15,397,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,337,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000
Surplus and Profits (earned) 2,270,000
Deposits, over - - - 25,500,000

OFFICERS

L. A. GODDARD, President
HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
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Editor of Great Farm Paper Has Monetary Plan

Already ten million people are believed to be interested in the new American monetary method advocated, in the interest of all the people all the time, by the Co-operative Finance League. It is called the Myrick method, in contradistinction to the Aldrich bill. The league is organizing as a popular movement to induce the congress to enact forthwith one comprehensive measure for fiscal reform in the interest of the whole people. Just how this is done is briefly set forth in an open letter to President Taft by Herbert Myrick, organizing president of the Co-operative Finance League, and editor-in-chief of Orange Judd Farmer of Chicago.

The letter to President Taft says the ill-conceived Aldrich bill is dead, even having been repudiated by the American Bankers Association after that body had twice been misled into endorsing it. The Myrick method is grounded in the five-fold reserves of the American people—gold, land, health, character, co-operation. It says that impregnable financial stability will be assured readily by proper mobilization of America's triple gold reserves.

Representative Financial Democracy

While preserving the independence of each existing bank, national or state, their subsequent federation should be a representative financial democracy, in which the customer in front of the counter (the depositor or borrower) has an equal voice with the management behind the counter (officers, directors and owners). This insures the equal representation of bank users and bank owners in the federated associations required to mobilize the people's cash, credits and co-operation in the interest of all the people all the time. Yet it pro-

Herbert Myrick of the Orange Judd Farmer outlines to President Taft a substitute for the Aldrich bill. Claims ten millions of people are for the new method of co-operative finance

fects each individual bank from outside interference with its own business.

Private banking is to be abolished. Private bankers may incorporate under national or state law, thus becoming subject to the same supervision that has done so much to improve legitimate banking.

Bank Users and Owners Federate

Each bank in a locality is to join the local clearing house, whose functions and efficiency are to be greatly improved. Each bank joins the zone league that covers a commercial zone or banking district, of which some important city is the economic center. In clearing house and league, both incorporated under federal law, each bank has two voting representatives, one chosen by the bank's owners, the other by its non-owning customers. The 42 zone leagues constitute the American reserve union. It has 21 trustees chosen by bank users who are not bank shareholders, also 21 trustees

chosen by bank owners; the national government holds the balance of power therein, and the whole institution is subject to congress as representing all the people.

This representative financial democracy is thus based upon one-bank one vote, and one-man one vote, irrespective of size or wealth. Thus the Myrick method puts manhood above money, making money servant, not master.

Triple Reserves of Gold

There will be a national reserve of 1,000 millions of dollars of gold, a second reserve of 500 millions of gold in the American Reserve Union, a third reserve of 250 millions of gold in the banks, not to mention over 100 millions of gold in the pockets and hoardings of the people.

This is the greatest aggregate of gold ever amassed by any one people since the dawn of history. It may then be so mobilized that this gold can be used instantly wherever and whenever needed to prevent panic, allay distrust, promote financial health, or to foster productive industry rather than gambling on the stock exchange.

Government Alone Coins Money

The government again will assume the sole function of coining money, whether in the form of gold, silver or paper. Eventually there should be one uniform kind, quality, and character of American money, every dollar of which should be kept as good as gold, and every piece of it full legal tender and lawful money for the payment of all debts.

By reason of the government's vast reserves of gold and silver, American money to-day is intrinsically in a far sounder position than foreign money. The United States is on a hard-money basis, while the United Kingdom

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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and Europe are approaching relatively a soft-money basis.

Present new phenomena in gold, coupled with the control of the discount rate by the American Reserve Union—an institution that is fairly representative of all the people and all the banks—insure that the American gold reserves shall continue to accrue. Already there is back of each dollar of American money (including treasury notes and the present national bank notes) more gold alone, and much more of gold and silver combined, than is true of the money of all Europe (including the continent and the United Kingdom).

Ours Is the Best Money

American money to-day is the best money on earth. Within a few years, we will have 100 cents' worth of gold back of each and every dollar then outstanding, not to mention America's other reserves—the brains and hands of our people, their health and character, their powers for larger usefulness through the cohesive force of well-directed co-operation, and their vast area of land and water with its unparalleled natural resources.

Therefore, let the American government take back to itself that part of the money-coining function which it delegated to the national banks fifty years ago as a war measure. Let the national banks cash in at cost their 2 per cent bonds and retire the bank notes secured thereby, receiving in exchange from the treasury American government money issued upon the joint security of those very same bonds and of all the gold and silver in the treasury, not to mention the other reserves of the American nation.

Thus without inflating the currency by a single dollar, without detracting one penny

from its security and backing, without causing any disturbance in business, or without working any injury to any bank or person, the bank notes gradually are transmuted into American money, each dollar of which is equivalent to gold because redeemable in gold anywhere at any time.

Provision also is made for the wise use of bank reserves, their safe expansion and contraction in rhythm with business requirements, and their prompt repletion following use. The inability of banks to employ their reserves, when the emergency arrives against which they have been conserved, is an economic error, which (together with other glaring defects in our fiscal system) has caused panic, loss and misery transcending the imagination.

In the People's Interest

All the earnings of the proposed banking federation, over and above suitable reserves, go to the federal treasury. The gold received from this source would retire an equal amount of the bonds in the treasury. In this and other ways, the treasury reserves of gold increase until they reach 100 per cent of the lawful money in circulation, whether gold, silver or paper.

Neither the zone leagues nor the American Reserve Union has any shares or capital upon which to draw dividends, do not operate for profit, do not do business with the public, do not compete with any existing bank, but their service is performed in the interest of all the banks and of all the people in behalf of the common welfare.

Panics Would Be Impossible

The cash reserves of all banks would be greatly strengthened. Instead of bank re-

serves trembling upon an inverted pyramid, turn the pyramid squarely over so that it will rest immovably upon its broad and secure foundation!

Banks Issue Book Credits or Credit Currency

While the national government thus fully reassumes the prerogative of the sovereign people by itself exercising its sole monopoly of the coinage into one uniform kind and quality of money, of gold, silver and the public credit, the banks would be free to employ book credits or current credits in meeting the legitimate demands of business.

The coinage of money is a government function, but the use of credit instruments is a banking function, which should operate automatically in response to human activities and without governmental interference.

Export and People's Co-operative Banks Under Federal Law

The method provides for American export banks under national law, to finance our foreign trade, transfer from London to New York the financial center of the globe, and put the United States at the head of the world's trade. All details of the method are fully described in President Myrick's new book, Co-operative Finance.

Amend the national banking act so as to authorize the incorporation under its provisions of little national co-operative people's banks, thus affording the people of limited means relatively the same opportunity to create banking facilities for themselves as are enjoyed by those of larger resources. Such a co-operative bank may begin business with as

(Continued on page 19)



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Nelson H. Greene, vice-president and cashier of the Peoples Savings Bank and Trust Company of Moline, and a former president of the Illinois Bankers Association, reports that business and banking conditions in his city are of the very best and anticipates a large volume of business during the winter. Moline is one of the largest industrial centers in the Middle West, and the many friends of Mr. Greene will be glad to read what he says about increasing business in that locality. He writes:

"The election passed off very quietly, and the result was as anticipated by the business men of this community. Everyone feels that there will be no change in the business activity of the country, and especially in Moline, on account of the change of administration. All our factories are very busy at the present time and have been all fall. The great trouble has been to get raw material fast enough to supply the demand for finished goods. Pay-rolls are at a maximum and the laborers in factories are depositing their money in banks, which shows an easy financial condition among the laboring classes. The factories have never had as many orders for future delivery on their books as at the present time. All lines are showing a decided increase over any previous year's business in their existence. Money is in good demand, and while there is no large surplus, the banks are able to take care of their customers without any particular strain on themselves. The outlook for the future is very good, and we all anticipate an excellent winter's business. We do not feel that the tariff agitation will affect us, and everyone seems to be giving their entire time and attention to their own personal affairs."

Stock-raising Urged by G. A. Ryther

"Why Every Farmer Should be a Stockman," is the title of an interesting leaflet issued by G. A. Ryther, vice-president of the Live Stock Exchange National Bank of Chicago, and received by Illinois bankers this week. The leaflet urges an increase of stock feeding by all the farmers, giving convincing reasons therefor and closes with this thought, which, in a way, is a favorite text of the soil improvement committee of various bankers' associations: "Feed your stock; ship it when ready for market—be generous to the earth

which yields you her harvest and a sure and rich reward will be yours." Farmer-bankers of Illinois especially, where the opportunities along feeding lines have been neglected, should write to Mr. Ryther and secure a quantity of these leaflets for distribution to their customers.

Auto Accident Proves Fatal

James B. Busey, Jr., assistant cashier of the Mahomet Bank, in a town of the same name near Champaign, died Tuesday, December 3d, from the results of an automobile accident. He and a companion were driving from Mahomet to Champaign when the rear of the car struck the railings of a bridge and overturned into a ditch ten feet below. The accident happened the evening before Thanksgiving. The deceased was a member of the Busey family of Urbana, owners of six banks in Champaign county.

Marbold Extensive Cattle Feeder

H. H. Marbold, owner of the bank at Greenview, has long been an extensive feeder of cattle, feeding the year round and making a scientific study of the work. As soon as one lot of cattle are topped off for the market, others are begun. Just now he is feeding shelled corn and oats, shock corn, clover hay and a commercial feed of alfalfa and molasses. He is a believer in a variety of feeds. He uses self-feeders in his feeding lots and hogs eat up the wastage. One car load of cattle recently marketed in Chicago brought \$9.85 per hundredweight, averaging \$146 per steer. He feeds all the corn which he raises and buys

more. Mr. Marbold's bank in Greenview is one of the best appointed country banks in Illinois, housed in a bank building which would do credit to a city of 20,000 people. Another prominent farmer at Greenview is Homer J. Tice, who is well known to many banker-farmers of Illinois. Mr. Tice is a good roads advocate and is a member of the state legislature.

Illinois Notes

In this department of THE CHICAGO BANKER two weeks ago appeared an extended account of the Illinois Trust and Savings Bank of Champaign, recently made a state bank out of the Illinois Title and Trust Company. The name of the cashier was given correctly as that of E. M. Vennum, but an item in this paper last week gave the name of W. W. Stern as vice-president, and Fred Collison as cashier. Messrs. Stern and Collison are both vice-presidents and Mr. Vennum is the cashier, taking the same place which he has filled for some time with the private bank.

Ben F. Caldwell, former president of the Caldwell State Bank of Chatham and former president of the Farmers National of Springfield, delivered the principal address of the annual memorial meeting of the Springfield lodge of Elks.

Mrs. James W. Elliott, wife of the cashier of the Elliott State Bank of Jacksonville, was

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Write for the Investors' Magazine, which we publish twice a month in the interest of conservative investors, and for Circular No. 50.

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a member of the music committee of the Illinois Federation of Women's Clubs to publish a list of Illinois composers with some of their representative works. This is the third book of this kind to be published, others being issued in 1907 and 1910.

The Chicago and Alton railroad has purchased forty new locomotives of various types in order to keep pace with the increase in their business. As they cannot be delivered until next September, the road is anticipating a heavy increase in business. Railroad tonnage is large not only in Illinois, but through the Middle West and the best of good times are reflected in these conditions.

The Amboy State Bank, capitalized at \$50,000, has opened for business. The bank was organized by Progressives and will be backed by prominent Progressives of Lee county.

Mrs. Catherine Heaton, wife of W. H. Heaton, a retired banker of Bushnell, died recently at her home at the age of sixty-seven.

Peoria bankers and business men are taking great interest in the coming of Harry A. Wheeler, vice-president of the Union Trust Company of Chicago, former president of the Chicago Association of Commerce and now president of the Chamber of Commerce of the United States, to their city on the evening of December 9th. "Every Peorian is urged to attend this meeting as Mr. Wheeler is one of the country's foremost business men and the association is very fortunate to secure his services."

Bloomington will soon vote on a bond issue of \$250,000 to cover cost of a new high school site and a new high school building.

Good roads meetings are features over the state now. The Fulton County Association of Highways Commissioners recently held a meeting at Canton with good speakers. The former prejudice against good roads is now rapidly passing away in all parts of the state.

Pontius Pilate, arrested on Tuesday last for "buying junk without a license," remarked "better I had opened a bank for which no license is required."

The town of Camrose, Alta., has sold an issue of \$20,000 worth of twenty-year debentures to a firm in England.

CINCINNATI CHAPTERGRAM

BY WILLIAM BEISER.

T. J. Geisler, secretary of the Central Trust & Safe Deposit Company, delivered a lecture upon "Investments" on the evening of October 29th. The subject is a very important one. The strength of a financial institution is frequently determined by an analysis of its "Investment Account." The chapter was indeed fortunate in having one so well qualified to lecture upon this topic. The lecture was a finished one—and was the work of one who had made a deep study of the subject. Mr. Geisler has a course of lectures upon this subject in preparation, to be delivered at the St. Xavier's College of Commerce.

His original definition of "Investment" involved the idea of equal return in purchasing power at maturity as compared to the same power at the time of the investment. This idea is a very important one. Assume a case where ten years ago a party invested \$1,000 at 5 per cent and in the meantime commodity prices had gone up 50 per cent—\$1,000 purchasing value of about ten years ago will only purchase \$500 in commodities to-day. Having received \$500.00 additional interest in the meantime, he has back his original investment of \$1,000. and thus receives no income upon his investment.

Mr. Geisler, with due appreciation of the returns made upon an investment of time in the

chapter, attached considerable importance to such an investment in our organization. His lecture was made doubly interesting through reference to the conditions covering the recent Chinese loan and the financial plans of the large motor car company which was recently placed in an embarrassing position.

Ray C. Smith Talks on "The Receiving Teller"

Ray C. Smith, assistant cashier of the Citizens National, gave a very interesting lecture upon "The Receiving Teller" at our meeting November 12th. The lecture was based upon some years of practical experience. No question of application of theory to practice presented itself to the meeting. The lecturer gave a detailed description of making a balance of the day's receipts through the classification system, using as an illustration about six classifications. In the event of an error it could be traced to any one of the classifications. Where it is not necessary to check the day's receipts in bulk, the saving of time is very evident. Mr. Smith made reference to the value of co-operation on the part of the depositor, and told how it could be secured in a diplomantic manner without extra service on the part of the depositor. He emphasized the value of the handling of the customer in an obliging manner and through the rendering of courteous and accurate service.

George B. Mundy, L.L. B. with Peck, Shaffer & Peck, delivered a very instructive lecture upon "The Claim in the Attorney's Hands." The course of it had heretofore been a mystery to us—and Mr. Mundy made it quite clear. We went with the claim into his office, heard the dictation of the first letter, the more vigorous second attempt, and were present at the personal interview which was finally arranged. We made an analysis of the condition, the prospects, made some collections, found some concealed assets, prevented a discharge in bankruptcy, and above all, learned of the great importance of having signed statements on file in the credit departments. This feature he emphasized very strongly—told of cases where the holding of such a statement in the attorney's hands has been of much benefit to the one filing the claim.

The lecturers spoke in a vigorous style, and there is no doubt that much practical knowledge was gained through attendance at these meetings. The usual discussions were handled in an able manner.

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The widely advertised and long anticipated minstrel show of the Milwaukee chapter, American Institute of Banking, was given its initial presentation in the Pabst theater Friday night before a packed house in which Milwaukee bankers and their families figured prominently. Under the careful direction of A. Caspar, a clerk in the First National, in the capacity of stage manager, every detail of the ambitious performance was worked out with a smoothness that would do credit to professionals. E. A. Reddeman, cashier of the Germania-National showed unsuspected versatility and carried off chief honors as interlocutor. Louis Petran, H. G. Rogers, and Charles Collins contributed vaudeville features of real merit, while the eight end men comprising Howard S. Swan, Theodore E. Lusk, James E. Hogan, E. Halsey, William Steiner, Walter W. Dueringer, Walter George and William Lochen sustained the merriment in a capable manner. Those who occupied boxes at the opening performance were Charles F. Pfister, L. J. Petit, Fred Vogel, Jr., James K. Ilsley, Oliver C. Fuller, Gustav Pabst, William Woods Plankinton, Albert Trostel, John E. DeWolf, and George H. Russell. The performance will be repeated to-night.

Bankers Attend Charity Ball

Members of the reception committee who led the grand march with which Milwaukee's eighteenth charity ball was opened in the Auditorium Tuesday night, included the following Milwaukee bankers: L. J. Petit, pres-

ident of the Wisconsin National; Washington Becker, president of the Marine National; James K. Ilsley, president of the Marshall & Ilsley; Lyman Bournique, cashier of the Wisconsin National; and Oliver Clyde Fuller, president of the Wisconsin Trust Company.

Contemplate Pension System

Officials of the First National Bank and First Savings and Trust Company contemplate the institution of a pension system for employees of the affiliated institutions, details of which will be formulated before the opening of the year. Alexander Wall, credit clerk of the First National, is working out the plan for the pension system, which will be the first to be adopted by a Milwaukee bank.

New State Bank for Milwaukee

Articles of incorporation for another state bank for Milwaukee, to be located in the northeast section of the city, were taken out this week by W. I. Greene, real estate man, and David H. Davies, state treasury agent. The new institution, to be known as the East Side State Bank, will be capitalized at \$50,000 and is expected to be open for business by February 1, 1913. The new bank is the first in the rapidly growing upper east side business section. Safety deposit facilities will be a feature of the bank.

Grain Competitions Popular

With four of its local county grain competitions successfully concluded, the Wisconsin Bankers Association anticipates an educa-

tional campaign among Wisconsin farmers this fall that will supersede all previous ones in the number of farmers reached and the amount of propaganda distributed. The four already held were at Hancock, Nov. 26th; Clinton, Nov. 30th; Waupun, Dec. 5th, and Grand Rapids Dec. 7th. Other competitions in the series will be held as follows: Shawano, Dec. 10th; Shell Lake, Dec. 10th; Wittenberg, Dec. 11th; Downing, Dec. 11th; Stratford, Dec. 12th; Eau Claire, Dec. 13th; Columbus, Dec. 17th.

Milwaukee Notes

Commissioner of Banking A. O. Kuolt spent all day Wednesday in Milwaukee's financial district.

A. C. Best, well known in Milwaukee financial circles, has entered the bond department of the Germania-National Bank. This department, which was organized only a year ago with E. A. Reddeman, cashier of the bank, in charge, will celebrate a highly satisfactory year at the close of business December 31st.

On Monday, The Milwaukee Electric Railway & Light company will pay the state treasurer \$371,963.51 in taxes on its property and that of The Milwaukee Light, Heat and Traction Company. The taxes paid by the two companies in the last three years aggregate \$1,048,389.92 or an amount equal to the entire cost of supporting the state rate commission for one year, according to President J. D. Mortimer.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

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Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



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COMMERCIAL MEN ENTERTAINED

Bankers, merchants, manufacturers and newspaper publishers from northern Illinois counties were guests of the members of the ways and means committee of the Chicago Association of Commerce, Wednesday noon, at the La Salle Hotel and during the afternoon visited the plant of the Western Electric Company. In the evening they were the guests of the members of the association committee on down-state fraternal relation at a dinner given in the La Salle. This is the group of business men that are developing the Illinois federation of commercial clubs.

AUTOMOBILE ASSOCIATION MEETS

The tenth annual meeting of the American Automobile Association was held at the La Salle Hotel Monday. Monday evening the annual banquet occurred, and there were present representatives from many western states, who also were delegates en route to the ninth annual convention of the American Road Builders Association meeting in Cincinnati, December 3d, 4th, 5th and 6th.

Former United States Senator Lafe Young, editor of the Des Moines Capital and president of the Iowa Good Roads Association, was the most notable speaker at the banquet and told in a strong and interesting manner of the improvement which has been made in Iowa earth roads as a result of their agitation for systematic dragging and of the passage of a compulsory dragging law. It was Senator Young's paper which started this agitation and which resulted in the completion of the river-to-river road from Davenport to Council Bluffs, a distance of some 360 miles, over which recently an ordinary roadster automobile was able to make the distance between sunrise and sunset. Senator Young expressed the opinion that the national government should give federal aid to roads of national consequence, such as a road from the Atlantic to the Pacific, and that in the improvement of their principal roads the state and county should furnish the means.

There was a strong delegation of Iowa

bankers and business men present who left for Rock Island, Tuesday to attend a joint good roads conference to be held in Rock Island by representatives of the three cities of Davenport, Moline and Rock Island to consider the matter of developing interest in their part of the ocean-to-ocean road.

AMERICAN TRUST AND SAVINGS, HOBART, IND.

American Trust and Savings of Hobart, Ind., with a paid-up capital of \$50,000, opened for business October 29th, 1912. The officers are A. J. Smith, president; John Hillman, E. H. Guver and John Gruel, vice-presidents; William Devonshire, treasurer; F. T. Fetterer, secretary and trust manager; J. C. Cavender, cashier and H. T. Strattan, assistant cashier. The directors include A. J. Smith, William Devonshire, John Hillman, E. H. Guyer, F. T. Fetterer, J. C. Cavender, John Gruel and Ella S. Roper.

The bank starts off with eighty-five stockholders, all active residents of Hobart and the agricultural territory surrounding it, and whose combined personal holdings are estimated to be three millions. It is the purpose of the new institution to do a general banking business and to include savings and trust departments as well as safety deposit vaults. It will perform all of the functions of a regularly incorporated trust company, such as executor, administrator, guardian, etc.

Mr. Cavender formerly was cashier of the First State Bank of Hobart. He has had a valuable banking experience as well as a farming experience before entering the banking business.

SAFE FOR SALE

Diebold Manganese Steel Safe Number 5. Circular Style. Time lock. Good as new. For further information, address,

MERCANTILE TRUST & SAVINGS BANK,
Jackson Boulevard and Clinton Street CHICAGO, ILLINOIS

GEORGE M. REYNOLDS URGES NEED OF CENTRAL RESERVE

(Continued from page 7)

very fact that the central reserve banks of New York must create a mass of stock exchange loans, for lack of any other large secondary reserve basis, in itself unduly promotes speculation in investment securities to the detriment of productive industry.

Ours is the only nation basing its banking credit system primarily on stocks and bonds.

Need for Central Reserve

Our many-reserve system has broken down under every great strain. In the panics of '73, '93 and 1907, which cost us untold millions of dollars, our scattered reserves were powerless to uphold the structure of credit. In the pinch, the thousands of smaller banks could not use their own little hoards of cash they had grabbed out of the central reserve banks, because the law forces every bank not only to build up a reserve, but to keep it intact at all hazards.

The cash our banks must hold for emergencies must not be used for emergencies. Thus says the law.

With a great single-reserve, where loans based on industry could always be rediscounted by the banks, the panic of 1907 never would have occurred.

We have enough gold in the banks amply to uphold the structure of credit. The reason the structure collapses periodically in the United States is that the cash reserves, divided into 25,000 small reserves, fail to do the work of supporting the structure that they would do if combined into a central reserve. Ours is the only great banking country without a central reserve; and it is likewise the only great banking country that suffers from money panics.

The country has the choice of allowing New York to continue as the keeper of the final reserves, or of establishing a co-operative central reserve at Washington, in which all the banks of the country will have a voice, and which no section of the country will dominate.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
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EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter By R. L. ROBINSON

St. Louis, December 4th.—Business at the financial institutions during the past week has been active, the volume of business transacted being very large. The gains in bank clearings the past few weeks have been large as well as constant. There has been a very liberal demand for money, rates holding firm at 5½ to six per cent on call and time loans.

Cut Jefferson Trust Board

The board of directors of the Jefferson-Gravois Trust Company was reduced from eleven to seven members at the annual meeting of the stockholders on Monday. Two of the directorships were vacant and J. H. Byrd and W. E. Talley, two other directors, refused to stand for re-election. "We were unable to attend the directors' meetings and as the local men were managing the bank satisfactorily we reduced the board," said J. H. Byrd. "We will retain our stock in the bank." The directors elected Monday were: Anton Heisler, president; Anthony Collier, vice-president; Herbert M. Johnson, secretary and treasurer; L. S. Parker, A. F. Pollman, J. H. Niemeier and C. S. Marsh. G. H. Hoehn was re-elected assistant secretary and treasurer.

Members of Poor Mans Bank Committee Named

Festus J. Wade, A. L. Shapleigh, Henry L. Cornet, W. J. Kinsella and W. W. Hoxton will compose the committee which will plan the details of the Poor Mans Bank, which is to be organized by Col. James Gay Butler. Announcement of the starting of the bank was made by Mr. Butler last week. The organization will be a branch of the Fidelity Corporation of America.

Banks Ask Mail Change

At the instance of eight big shipping banks of St. Louis, Postmaster Thomas J. Akins has requested authority from the post office department at Washington for the delivery of registered mail at the downtown post-office as before the opening of the new post office. Since the main post office was moved to Eighteenth Street and Clark Avenue, all the banks have been obliged to send to the new post office for their registered mail, much of it being packages of currency. Each bank is obliged to send at least two messengers for this mail, and in addition to the time required for the trip and the carfare paid out by the messengers, where a special vehicle is not available, considerable risk of loss attends the transfer of these valuable packages. The action of Postmaster Akins followed the receipt of letters from the banks urging a change. The banks were: National Bank of Commerce, Third National, State National, Central National, Mechanics-American, Mer-

chants-Laclede, Boatmens and the Mercantile National.

Rate Increase Needed

The prevailing opinion among bankers and railroad officials with respect to the report of the arbitration board in the eastern engineers' wage case is that it represents a happy solution of what looked like a very troublesome situation, that undoubtedly the increases in wages granted were in reality the least important feature of the report so far as the railroads are concerned. Railroad officials believe that if the suggestions of the report are carried out, the ultimate benefit derived by the railroads will considerably exceed the increases in wages.

H. S. Priest Resigns

Attorney H. S. Priest has asked to be relieved of his duties as director of the National Bank of Commerce, stating that he has not the time to devote to the work of a director and asking that some one be selected to succeed him. It is expected that the stockholders will be called upon to fill eight vacancies in the board at the forthcoming annual meeting. In an effort to settle the controversy between the present administration of the National Bank of Commerce and those representing the Thompson estate, the former has appointed a committee from the board of directors, which has been conferring with the Thompson heirs. This committee is headed by Sam M. Kennard and consists of J. M. Bell, E. T. Campbell, John A. Holmes and H. P. Knapp. It has been stated authoritatively that the present board of directors unanimously has agreed to retain B. F. Edwards as president.

Draft Good Roads Measure

The committee appointed by the Missouri Highway Association, recently organized in Jefferson City, to draft suitable good roads legislation for introduction at the coming session of the legislature, probably will submit two measures. The first will be a bill creat-

ing a state highway department which will be given supervision over the construction of permanent roads and the expenditure of state road money. The other will be a constitutional amendment levying a direct tax of 5 or 10 cents on the hundred valuation for the construction of permanent roads. This amendment probably will empower the legislature to impose the tax at its option. The Highway Association will meet at Jefferson City soon to approve the measures drafted by the committee of which George B. Ellis of Appleton City is chairman.

Declare Extra Dividends

Notice of an extra Christmas dividend of 3 per cent has been sent to stockholders of the Franklin bank. The dividend will be paid December 1st at the same time as the regular quarterly dividend of 3 per cent.

Stockholders in the State National have received checks in payment of an extra Christmas dividend of 2 per cent in addition to the regular semiannual dividend of 4 per cent. The payment of the dividend entailed the disbursement of \$120,000.

Draft Forger Pleads Guilty

John D. Davis, vice-president of the Mississippi Valley Trust Company, was in Philadelphia last week, where he attended the trial of E. B. Carr, who issued several false drafts in Philadelphia and other eastern cities, purported to be drawn by the Mississippi Valley Trust Company of St. Louis on the Louisville Trust Company of Louisville, Ky. Carr pleaded guilty and was sentenced to two years in the penitentiary. The Mississippi Valley Trust suffered no loss through the transaction.

Realty Company Gets Charter

The Hot Springs and Little Rock Realty Company, Little Rock, Ark., a corporation with \$250,000 capital stock, of which \$155,000 is subscribed, has been incorporated. The officers of the corporation are: H. A. Bowman, president; W. S. Sorrells and Justin Matthews, vice-presidents; J. S. Longino, secretary and J. D. Arnold, treasurer.

Held for Bank Robbery

Neal Mulcahey and Charles Meirs, escaped convicts from the Kansas penitentiary, who are wanted on a charge of robbing a Rock Island train near Howe, Okla., October 9th, have been held to the grand jury at Huntsville, Ark., on a charge of stealing \$14,000 from the First National at Huntsville last June.

All But \$20,000 of Defunct Bank's Debt Paid

A dividend of fifteen per cent was paid the depositors of the defunct Harris County Bank

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
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RICHARD H. HIGGINS
Vice-President

Capital and Surplus
\$3,000,000

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WILLIAM A. LAW
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FRANK R. LAWRENCE
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Pres. Witherbee, Sherman & Co.

JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.

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We invite the Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals

Resources, Twenty-five Million Dollars

Capital
\$2,000,000

Surplus
\$2,000,000

Deposits, \$35,000,000

NATIONAL BANK OF ST. LOUIS

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CHICAGO

& Trust Company, Houston, Texas, Tuesday. This makes a total amount of eighty-five per cent paid by Liquidating Agent J. A. Wilkins in sixteen months' time to those depositors who were not protected under the guaranty fund of state banks on interest-bearing deposits, and leaves only \$20,000 unpaid. All of the depositors who were protected under the guaranty fund have been paid one hundred per cent on their deposits. In addition to paying the depositors Tuesday, the agent has been enabled to reimburse the guaranty fund a portion of the sum advanced to liquidate the claims of the protected depositors. The guaranty fund advanced \$111,650 to pay those depositors who were protected under that fund. This fund has been reimbursed 15 per cent of that amount, or \$16,747.50.

Two Development Concerns Chartered

Articles of incorporation of two companies have been filed in the state department, having for their purpose the development of the southwestern portion of the state. They are the Big Wells Farming and Nursery Company of Big Wells, Dimmit County, and the Las Vegas Irrigation Company of Las Vegas, Dimmit County. The charters were brought here by Attorney Townsend of San Antonio and Prof. F. W. Mally, agricultural director of the Cross S Ranch Farming Company, with headquarters at Crystal City. The capital stock of the Big Wells concern is \$100,000, and the incorporators are: J. E. Franklin, St. Louis; M. E. Leming, Big Wells; William McMurray, Big Wells; F. W. Mally, Crystal City, and W. L. Mason, Big Wells. The Las Vegas company has a capital of \$25,000 and its incorporators are J. A. Pierce, Franklin, Tenn.; Eli Howell and H. H. Hadley, San Antonio.

Prof. Mally, who is the former state entomologist, said that his company—the Big Wells Farming and Nursery Company—is to be an auxiliary of the Cross S Ranch Farming Company. The new company has 1,000 acres of land which is to be cultivated, 100 of which will be devoted exclusively to orcharding. Prof. Mally, for the past ten years, has been working on an improved plum which he says he has now perfected. This plum is a hybrid between a native Texas plum and the famous Burbank plum, and is a most prolific variety. Several hundred acres will be devoted to the cultivation of alfalfa and the production of hogs. This farm will be conducted on highly scientific lines, and irrigation will be used exclusively.

With Bank Fifty-five Years

John H. McCluney, president of the State National, St. Louis, on Monday celebrated the fifty-fifth anniversary of his connection with that institution. With the exception of William H. Thomson, vice-president of the Boatmens Bank, he is the oldest banker in St. Louis in point of service. Mr. Thomson holds the record over Mr. McCluney by six months. Under Mr. McCluney's administration of the last five years, as president, the State National has attained a reputation for conservatism. He began his service with the bank in 1857, as

an office boy, in what was then the State Savings Association.

American Trust Shows Gain

A gain of \$130,691 in deposits since the previous statement was shown by the American Trust Company of St. Louis in its statement following the call of the comptroller of the currency on Tuesday. The deposits at the time of the statement of September 4th were \$3,277,295, while on November 26th they were \$3,407,986.

Forty Million Dollar Phone Merger

The Bell Telephone Company of Missouri, the Southwestern Telephone Company and the Missouri and Kansas Telephone Company have been reorganized jointly under the name of the Southwestern Telegraph and Telephone Company, with a joint capital of \$40,000,000. This exceeds by \$10,000,000 the joint capital of the merged concern. H. J. Pettingill, president of the Missouri Bell Company, will be president of the new company. Other officers are J. P. Crowley, secretary, and Theodore N. Vail, Charles H. Wilson, U. N. Bethel and Royal Ferris, directors.

"The change is made," President Pettingill said, "to further simplify the plan, inaugurated last spring, of operating the Bell telephone companies in the Southwest under one organization with headquarters in St. Louis. One of the operating divisions created last spring extended over eastern Missouri, southwestern Illinois and all of Arkansas. In St. Louis and vicinity the Bell Telephone Company of Missouri operated. In Arkansas the company operated under the name of the Southwestern Telephone Company, and in northeastern Missouri in the name of the Missouri and Kan-

(Continued on page 21)

American National Bank

Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
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Unsurpassed Excellence of Service for Collections

Editorial Comment

TAFT ON THE NEW DIPLOMACY

President Taft may well take pride in the vast expansion of our foreign trade under his famous "dollar" diplomacy. In his short message to congress, the president sets forth the benefits of the doctrine. He says:

"The diplomacy of the present administration has sought to respond to modern ideas of commercial intercourse. This policy has been characterized as substituting dollars for bullets. It is one that appeals alike to idealistic humanitarian sentiments, to the dictates of sound policy and strategy and to legitimate commercial aims.

"No evidence of prosperity among well established farmers should blind us to the fact that lack of capital is preventing a development of the nation's agricultural resources and an adequate increase of the land under cultivation: that agricultural production fast is falling behind the increase in population, and that, in fact, although these well established farmers are maintained in increasing prosperity because of the natural increase in population, we are not developing the industry of agriculture.

"As illustrating the commercial benefits to the nation derived from the new diplomacy and its effectiveness upon the material as well as the more ideal side, it may be remarked that through direct official efforts alone there have been obtained in the course of this administration contracts from foreign governments involving an expenditure of \$50,000,000 in the factories of the United States.

"The successful conduct of our foreign relations demands a broad and a modern view. We cannot meet new questions nor build for the future if we confine ourselves to outworn dogmas of the past and the perspective appropriate at our emergence from colonial times and conditions."

The president again calls attention to the urgent need of cheaper credits for the farmer, in which position he has been backed up by the American Bankers Association.

OUR FIRST NATIONAL BUDGET

At the coming short session of congress, the nation will, the first time in its history, have an opportunity to consider a national budget. Give President Taft the credit for the innovation. Heretofore congress dickered and bargained back and forth between committees, each with its own appropriation bill, until enough agreements had been made to pass the bunch. The system has been called "log rolling" and other worse names. In the present effort an attempt will be made in a scientific way to determine:—

(1) How much money will be needed for the conduct of the government during the year beginning July 1st next.

(2) What money is on hand; and from what source is more expected.

(3) What shall be the amount appropriated to each function performed by the government.

Stated in the above manner, every business man, no matter how small his affairs; every farmer who plans ahead, every man in any

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

way charged with the care of funds for others, will at once perceive that a national budget must be desired by all citizens who wish business-like methods applied to the one big business of the nation—the government. Furthermore, they will perceive that if a little business needs system, then a big business, involving \$1,000,000,000 expenditures a year, needs it still more.

In past years a comprehensive statement of income and expenditures has not been made because practically impossible. Appropriation bills had no relation, each to the other, nor to income provided. Cabinet officers, committee chairmen and even minor officers in departments approached the nine "appropriating" committees for "specials" each carrying an appropriation. The confusion of present appropriation bills is indicated in the list of committees charged with the report of such bills. The committee on appropriations reports six appropriation bills:

Legislative, executive, and judicial; sundry civil; pensions; fortifications; District of Columbia; deficiencies.

The committee on agriculture has charge of the department of agriculture appropriations with the exception of a few deficiencies which the committee on appropriations looks after. Its overhead charges are, unlike all other departments, not included in the legislative, executive, and judicial bill reported by the committee on appropriations. The committee on rivers and harbors reports appropriations for those river and harbor improvements for which no contract authorizations have been made. Then there are the committees on foreign relations, military, naval, post-offices, claims, Indian affairs and a string of others.

Even lacking system as did the old plan it would have seemed better had it not been abused by political trading. It was a sort of financial foot ball game with the center rush, end men, etc., and each committee chairman priding himself on getting "everything through as proposed." Under the new plan as proposed by President Taft we shall have:—

(a) A BUDGETARY MESSAGE, setting forth in brief the significance of the proposals to which attention is invited.

(b) A SUMMARY FINANCIAL STATEMENT, setting forth in very summary form:

1. The financial condition.
2. A statement of the condition of appro-

priations and other data pertaining to the "general fund," as well as to the other funds of the government.

3. An account of revenues and expenditures for the last completed fiscal year; and

4. A statement showing the effect of past financial policy as well as of budget proposals on the general fund surplus.

(c) A SUMMARY OF EXPENDITURES, classified by objects, setting forth the contracting and purchasing relations of the government.

(d) SUMMARIES OF ESTIMATES, setting forth:

1. The estimated revenues compared with actual revenues for a period of years; and

2. Estimated expenditures compared with actual expenditures for a period of years.

(e) A SUMMARY OF CHANGES IN LAW, setting forth what legislation it is thought should be enacted in order to enable the administration to transact public business with greater economy and efficiency; i. e., changes in organic law which, if enacted, would affect appropriations as well as the character of work to be done.

America is just about the last of the civilized nations to adopt the budget system of making appropriations. Even the Bulgarians and the Chinks have their budgets. England, Germany, France and other such nations have used the system practically from the first. American colleges, American editors and all financial papers and students of economy have been urging the budget system for years. Taft was the first president who was willing to urge congress to do away with the old log-rolling methods. It will be an innovation and every banker hereafter will be an interested student of public financial conditions as revealed by our national budgets.

A FOWLER BILL IN CONGRESS

Charles N. Fowler of New Jersey, who served in congress for years and sat at the head of the committee on currency and banking, has prepared a financial bill for introduction at the short session. He charges that the Aldrich bill is "a gigantic conspiracy," and blames it all on the ex-boss of the senate. Mr. Fowler would enlarge the scope of the national banks to cover the savings field entirely and directly. He would give them the direct note issuing power as in Canada, where currency panics never come. He would have nationals do a trust company business also and thus make a clean sweep.

After this would come the crux of the Fowler plan which would extend the clearing house idea to all banks in 100 mile zones with boards of control in charge of note issues and other features. Supervision would be of the clearing house type of perfection. The famous ex-congressman has a beautifully worked out plan and it will repay well any banker who will study it. During the summer, Mr. Fowler spent several weeks in Chicago in an attempt to solve the intent of the National Citizens



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

A Broad Vision on the part of its founders, and a continued liberality of policy on the part of the management of this bank, have combined to make it more than a local institution. Its Numerous Connections throughout the Northwest enable it to offer complete and acceptable service to its many patrons in Minneapolis and in the great states comprising the business territory of this city.

Capital and Surplus, \$5,000,000

AFFILIATED WITH

The Minnesota Loan and Trust Company

League. He wanted to know if the league was open to the espousal of other plans than that of Aldrich. He didn't say before he left that he had obtained much satisfaction but he did get his ideas before the big bankers of Chicago and received some encouragement from them.

Might not Col. Fowler after all prove to be the Moses of the situation and lead both democrats and republicans to the best way to help the country? He is open-minded as to suggestions for improvement, so he says, and he invites free criticism of the bill he has prepared.

MACVEAGH HAS CURRENCY BILL

Secretary Franklin MacVeagh astonished almost everyone on Wednesday by urging upon congress an immediate and radical reform of the currency and banking laws of the country. In outlining his idea of an adequate relief measure he said that aside from affording flexible and elastic currency and reserves, currency revision should bring the banks into organized co-operation and provide for a central agency through which they could work together, free of political or trust control. He added that the anomalous relation between the treasury department and the general financial world was part of the system to be reformed.

Mr. MacVeagh named as the provisions of his proposed bill the following:

A relief measure reforming the banking and currency system, the secretary declared, must include, among its necessary features, provisions:

For never-failing reserves and never-failing currency, and for the perfect elasticity and flexibility of both.

For the permanent organization and organized co-operation of the banks, which are now suffering and causing the nation to suffer by reason of their unorganized state.

For a central agency to represent and act for the organized and co-operative banks—this agency to be securely free from political or trust control—but with the government having adequate and intimate supervision of it.

For independent banking units—so independent that no one bank can be owned, controlled and shared in in any degree, directly or indirectly, by any other bank.

For the equality of all banks, national or state, both as to standards and as to functions—so that every requirement made of a national bank must be complied with equally by a state bank, and every function or privilege enjoyed by a state bank shall be enjoyed by a national bank.

For the utilization and fluidity of bank assets.

For the scientific development of exchanges—domestic and foreign.

For foreign banking as an adjunct of our foreign commerce.

For taking the treasury department out of the banking business.

In his argument supporting the above principles the secretary holds the government to blame for all recent panics. He laid stress on the crop moving requirements and never mentioned Wall Street. He wants the oleo law revised and pointed out a likely deficit next year.

ISSUES OF NEW SECURITIES

Issues of new securities in November by American railroad, traction and industrial companies amounted to only \$140,000,000, but the total for eleven months ended Nov. 30 was \$2,090,000,000. To this total the railroads contributed \$1,030,000,000 and the industrials \$1,060,000,000. The railroad issues were \$25,000,000 less than their total in the corresponding period of 1911, but the industrial issues were increased \$486,000,000.

JAPANESE BANK FOR LOS ANGELES

N. Yatsushiro, manager and director of the Suimitomo Bank of Osaka, Japan, states that he is in Los Angeles to look over the banking situation with the idea of establishing a branch of his bank in that city. He also intimated that the Yokohama Specie Bank, one of the largest institutions in Japan, intends to establish a large branch at First and Main Streets within the next few weeks to care for Japanese residents of that vicinity.

The First State Bank, Brady, Mont., has been incorporated with a capital of \$20,000.



**CAPITAL
\$2,000,000.00**

**SURPLUS
\$1,000,000.00**

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. Your account carried on the books of a solid, conservative bank adds prestige to your name. Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

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MURRAY CARLETON	- - -	Vice-President
WM. H. THOMSON	- - -	Vice-President
ERNEST M. HUBBARD	- - -	Cashier
E. L. TAYLOR	- - -	Assistant Cashier
C. R. LAWS	- - -	Assistant Cashier

CHANGES IN SAVINGS BANK LAWS

George C. Van Tuyl, Jr., New York state superintendent of banks, will recommend in his forthcoming annual report laws requiring savings banks to accumulate surpluses or reserve funds, and other reforms.

"While the securities in which the trustees of savings banks are authorized to invest deposits are very strictly limited by law," said Mr. Van Tuyl recently, "human ingenuity as yet has been unable to devise any plan by which losses upon investments may be entirely avoided. The dangers of the situation were forcibly brought home to the thinking men connected with the savings bank system of this state by the great depreciation in savings bank securities which took place during the panic of 1907.

"It is hoped that a proper solution of this question may be reached during the coming session of the legislature. This department stands ready to render any assistance possible. It is needless to say that some sacrifices and compromises will be necessary in order to procure the passage of a law that will at the same time meet the situation and be generally satisfactory.

"Among the most important recommendations affecting savings banks to be submitted to the legislature by the superintendent at this time is that for a law to empower him to authorize branches of savings banks. The authorization of such branch institutions, would encourage thrift in districts not now served by existing savings banks.

"Another proposed amendment which would be valuable would be a provision to permit savings banks to consolidate; or, in other words, to make it possible for one institution to take over another on terms satisfactory to the superintendent of banks. In this manner certain struggling institutions that can now only obtain deposits by paying excessive rates of interest could be absorbed by stronger institutions without danger to their depositors or the savings bank system of the state."

NEW YORK BANKER TO WED

Richard Delafield, president of the National Park Bank of New York, is to be married to Miss Edith P. Fesser of that city. Mr. Delafield is prominent in New York banking circles and is a director in several banks.

Silas V. Scudder, vice-president of the Jefferson branch of the Century Bank, New York, has resigned to become vice-president, treasurer and a director of the new million-dollar Richmond Trust and Savings Company of Richmond, Va.

Interior of Harris Trust & Savings Bank of Chicago

One of the most spacious and elegant banking rooms in the country and a center of interest to bankers visiting Chicago



The illustration above gives a good idea of the handsome interior of the Harris Trust & Savings Bank in the newest bank building in Chicago. This main banking room opens directly off of Monroe Street, the chief banking street of the city, and is a source of great interest to out-of-town bankers visiting Chicago. The bank maintains a system of personally conducted inspection trips for visitors, and where interested parties so desire, the trips include an inspection fifty feet underground to the freight tunnel system with which many Chicago skyscrapers are connected.

GEORGIA BANKS NOT TO MERGE

A rumor to the effect that the American National and the Fourth National of Macon, Ga., contemplated joining forces has been denied by the directors of the latter institution. It also is stated that the reports of the retirement of President Heard of the Fourth National are without foundation. Mr. Heard is taking a vacation until the first of the year on account of poor health.

NORTH CAROLINA TRUST COMPANY

The States Trust Company of Wilmington, N. C., with a capital of \$200,000, has been licensed by the state, the incorporators being: E. H. Smith of Birmingham, Ala.; W. O. Traver, Augusta, Ga., and Virgil Walker of Newbern, N. C.

ADDRESSES BANKERS CLUB

Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company, left Chicago on Wednesday for Des Moines, Ia., where he addressed the Bankers Club on the subject of banking reform.

VALUABLE CROPS FOR SOUTH DAKOTA

H. R. Dennis, formerly engaged in the banking business at Sioux Falls, S. D., visited Chicago Monday. Mr. Dennis is the state agent for South Dakota of the Prudential Life Insurance Company and is doing a thriving business in the farm loan mortgage line. The value of this year's South Dakota crops is double that of last year.

IOWA BANKER ACCEPTS POSITION WITH SOUTH DAKOTA BANK

James B. Lambertson, formerly cashier of the Farmers Savings of Victor, Ia., recently has accepted a position as cashier of the Sioux Falls (S. D.) Savings. This bank now has close to two millions in deposits and was but recently consolidated with the American National of Sioux Falls. E. G. Kennedy is president; W. Ontjes, who formerly was cashier, now will be active vice-president.

NEW BANK FOR NASHVILLE

The Security Bank and Trust Company, with a capital stock of \$100,000, is being organized in Nashville by J. W. Pritchett, H. O. Balls, O. T. Matthews, et al.

EDITOR OF GREAT FARM PAPER HAS MONETARY PLAN

(Continued from page 9)

little as \$1,000 of paid-up cash capital in shares of \$5 each; one vote only to each member.

American Land Bank System

"The crowning glory of the co-operative American monetary method will be the American land mortgage banking system I proposed," says Mr. Myrick's open letter to President Taft. "It calls for a land bank covering each state, incorporated under the national banking law. Such bank at all times shall have in cash or available securities what I call the land reserve, equal to not less than 5 per cent of the bonds it has outstanding, which are secured by the mortgages held in its treasury upon farms occupied and worked by their owners, or upon homes occupied by their owners.

"This method provides in a simple, systematic, business-like and effective manner for the little national co-operatives to act as the local representatives and supervisors for the national land bank in their state. The investment of the co-operatives in the land reserve, also the relation thereto of the regular national banks, are so adjusted as to secure their interest and co-operation, while avoiding the error of combining or mixing (1) commercial banking and personal credits with the function of (2) permanent credits and mortgage banking. These are two entirely different kinds of banking, which ever must be kept separate and distinct, yet may wisely co-operate to supplement each other.

"Under state law, there may be co-operative banks for deposits and loans affiliated with one or more land banks under state law. There is ample field for these institutions under both national and state laws, same as is now the case with commercial banks.

"Pray observe that the people do not ask for pap or privilege, subsidy or subvention. People of small means simply want equality of opportunity with those of larger resources, for mobilizing their more limited cash, credits, and co-operation through a sound banking system founded upon American money, each dollar of which is the equivalent of gold. Americans are eager to help themselves—let congress give them the chance. Self-help strengthens, gift-help weakens."

GOOD BOOKS FOR CHRISTMAS

"A Christmas Honeymoon" is a new story by Frances Aymar Mathews who wrote "My Lady Peggy Goes to Town" and a lot of other good ones. This is a story for those who love Christmas, and who is there that does not? and for those who love lovers, and who is there that does not? The tale begins in Washington before the Civil War and it ends in the New York of some thirty years ago. The descriptions of old-time New York give the real flavor of the time, but the winsome and wilful heroine and her gallant and obstinate lover are as true to-day as they were in the days when Betty and her husband lived. The whole book breathes the Christmas spirit in a singularly sweet and delightful fashion. The pictures are charming and suggestive of the past, and happily illustrate the story.

"The Littlest Rebel" by Edward Peple who wrote "The Prince Chap" and others is a fine Christmas book. The scene of this exquisite little masterpiece is laid in the South during the Civil War. Here the North and South meet, and "Virgie" stands between them—a rare little heroine. There is a pathos and humor in this story that will be appreciated by many readers. It is truly a book for young and old.

Both books are published by Moffat, Yard

Co., New York, at \$1.00 and 75 cents respectively.

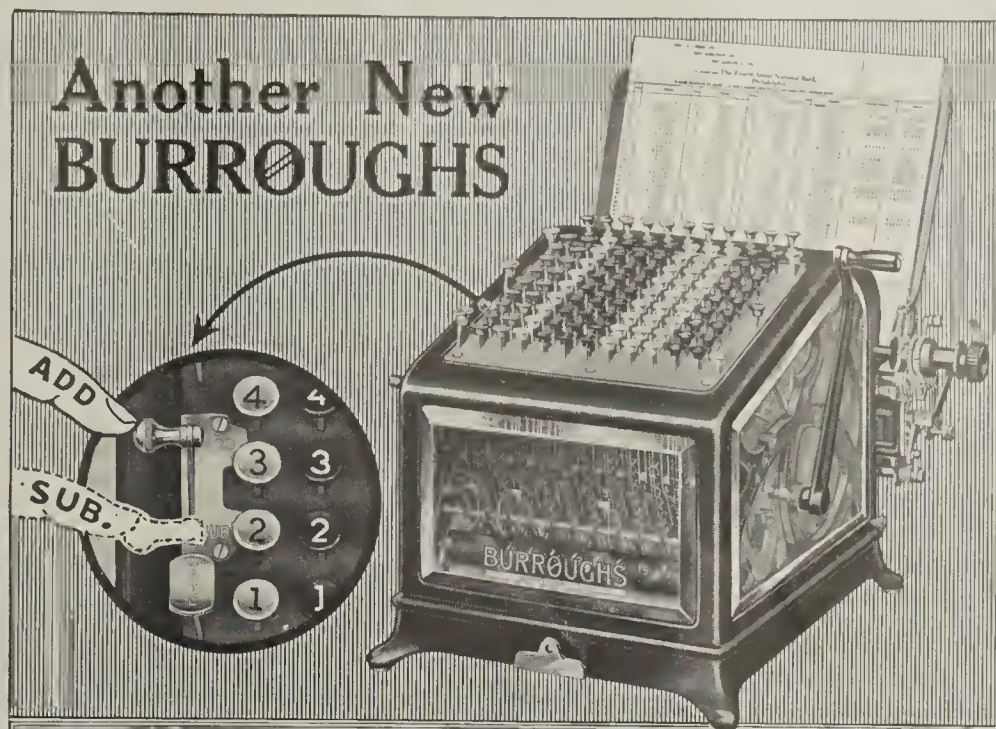
"Gordon Craig" by Randall Parrish is put out by A. C. McClurg & Co. of Chicago, which gives it insurance of a rare kind. Craig is a soldier of fortune, a type which will interest the young man. Take a young fellow of spirit, just discharged from the army and up against it financially, offer him ten thousand dollars for a risky piece of work, and he'll take it on just as Gordon Craig did. His job was to impersonate the missing heir to a valuable estate to save it from dispersal, and to do it he had to find a girl to act the part of his wife. Then things began to happen thick and fast. Craig and the girl got out of one situation only to fall into a worse one, and it was only their nerve and resourcefulness, that carried them through. Like all Mr. Parrish's stories, it's full of action and a sure enough thriller. This one fairly hums. Price \$1.35 net.

"The Time Lock" by Charles Edmonds Walk ought to interest bankers. The combination of time lock features with an apparently unsolvable mystery furnishes the motive. Of course you like a real mystery story

—one that will keep you guessing to the very end? "The Time Lock" is that kind of story, and it's head and shoulders above any mystery tale that's been written in a long time. The "Silent House" reluctantly revealing strange secrets; Paige Carew's unaccountable disappearance en route from Paris to London; the coffin-like box which appeared at Van Vechten's banquet; the beautiful girl in the crowd surrounding a murdered man—all have a part in revealing the secret of?

This fine story is put out by A. C. McClurg & Co. also, at \$1.35 net.

"The Financier" by Theodore Dreiser sounds like another one for bankers. It is from the press of Harper Brothers, which is a sort of guaranty bond. "The Financier," is a tale of the lust for wealth arising out of civil war conditions. The career of a Philadelphia financier is followed from his boyhood, through success, to his imprisonment in the penitentiary for misappropriating city funds. His love affair with the daughter of a politician hastens his ruin. Unlike Mr. Dreiser's "Jennie Gerhardt" or "Sister Carrie," "The Financier" has a man for his principal character. Price \$1.40 net.



Adds—Subtracts *Just Push the Lever*

This latest addition to the big Burroughs line does all the figure work of a regular adding machine—and besides performs the extraordinary feat of direct *subtracting*.

In many kinds of bank figure work the Burroughs Subtracting Machine cuts $\frac{1}{3}$ off the time required by *any other adding machine*.

The Fourth National Bank of Philadelphia uses this machine for Ledger Posting and Monthly Statements.

We have a System form (551) which shows daily deposits added to Old Balance,

and withdrawals subtracted—the New Balance being obtained as automatically as pulling the handle.

Overdrafts are automatically caught, the machine refusing to print anything but an overdraft (marked OD) if more has been *subtracted* than added. This machine *thinks*.

We also have a little booklet, "Reconciling an Individual Account," which interestingly describes one of the possibilities of this machine.

Ask for this booklet and System form 551. Free demonstration if desired.

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Makers of adding and listing machines: listing and non listing calculating machines: low keyboard visible printing adding machines—86 different models in 492 combinations of features—\$150 to \$950

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CHAS. H. MOORE, Vice-President
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Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Although bank clearings in some of the Central West cities showed a decline for the week ending November 28th, the general condition of business remains good and financiers attribute the clearings decline to the fact that the marketing of farm products has reached its highest point for the year and the money received by the farmers has not yet reached general circulation. The month of November saw better standards of clearings for days, weeks and the month than for several years past. In Omaha the clearings for November were \$73,221,560 compared with \$61,811,450 for the corresponding month last year, showing a gain of \$11,410,110. For the week ending November 28th, Kansas City fell into seventh place with Pittsburgh in the lead. This has happened rarely during the past year, but even then Kansas City showed a gain for that week of 15.7 per cent. For the week ending November 28th, Omaha had a gain of 23.3 per cent. Merchants generally are experiencing a gratifying opening of the holiday season and, while few expect to break any records for sales of Christmas goods, it seems to be the feeling that buying will be generous and of a kind that will afford uniform profits. In Kansas City, the early Christmas shopping crusade already has brought gratifying results. This movement was inaugurated under the auspices of the board of public welfare of the city and it has received the hearty support and co-operation of club women, trades unions, etc. Few retail houses will keep open at night during the holiday season except on Christmas eve. This has become a settled custom in Kansas City and the public has accommodated itself to the rule without inconvenience.

Walton H. Holmes Says Conditions are Splendid

Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, was in a particularly enthusiastic frame of mind, when a representative of THE CHICAGO BANKER called on him recently. His company has been making remarkable gains in deposits of late and all departments of its extensive business have been thriving. Therefore the unusually expansive smile upon Mr. Holmes' face when he declared: "Conditions are fine; splendid. The entire Southwest is entering the winter with all elements of business and finance at their best. So far as I can see, there has not been a ripple on the surface as a result of the election. If it has been felt in other places there has been no reflection in this quarter. Business in Kansas City and this territory is sound. For several years we have been undergoing a process of readjustment, and things have settled to a firm basis. There are very few failures and our business men have

learned conservatism—not the conservatism of standing still, but of going forward carefully and with safety. Crops were all that we had hoped they would be. The live stock industry is flourishing, with almost unprecedented prices for cattle and hogs. There is plenty of feed for the stock and each farm now is a manufacturing plant, making high priced beef and pork out of roughage and corn. In my interviews with country bankers, I find the same spirit of satisfaction manifest and I look for the new year to open with a continuation of the same favorable conditions."

Missing Waco Bonds Found in Kansas City

Three laborers on the Kansas City public dump, were trying to excavate some brass to sell to a junk dealer last week, when they happened to uncover two registered mail pouches which were stolen from a mail car in Kansas City the night of July 5th, last. When the bag was opened some discolored papers were blown about by the wind. None of the men had any idea that these papers were valuable, but after they had been gathered up and turned over to the postoffice authorities, it was found that they were Waco, Tex., water bonds payable to bearer and worth \$150,000. The bonds had been insured and the insurance company had paid out the money for them. Arrangements were made to reimburse the insurance company. Some small bonds were missing from the pouch as was also a quantity of jewelry that had been in the pouch when it was stolen. Kansas City bankers called at the postoffice and identified parts of their consignments. The Commerce Trust Company had the largest consignment and the New England National Bank and the Southwest National Bank of Commerce also were interested.

Missouri Banker to Jail

The little city of Clinton, Mo., has been thrown into a fever of excitement over the arrest of John Ogden, leading citizen and president of the Farmers Bank of Deepwater, twelve miles from Clinton. Ogden has had a sensational career. He went to Clinton eight years ago with his past veiled. Immediately he became a factor in local business and made money rapidly. He organized the bank at Deepwater and became its president. Every turn he made seemed profitable and he was an active church worker, commanding the respect and confidence of his neighbors, who frequently consulted him on business matters. His life seemed to be an open book, except that neither he nor his wife ever talked about events prior to their coming to Clinton. Suddenly a change came about that no one

could explain. A week or more ago Ogden came to Kansas City and on his return to Clinton he began to frequent saloons and drank heavily. Suspicion being aroused, an investigation was made at the bank, which resulted in Ogden's arrest on a charge of forgery. The bank was closed temporarily. Then claims began to pile up and disclosures were made that indicated serious trouble for the banker. He was placed in jail and was unable to furnish \$500 bond although he was reputed to be worth \$75,000. It is said that a Kansas City bank lent Ogden \$11,000 and two Kansas City commission houses, had given him \$4,500 on a cattle mortgage, although it is alleged Ogden never owned any cattle. In all, the claims now total about \$35,000. The loss at the bank is said to be comparatively small and will be protected by the stockholders, enabling the bank to continue business.

Fight Still On

The tangles in the affairs of the Great Western Life Insurance Company of Kansas City have not been straightened out, although the injunction enjoining the president from making the merger with the International Life Insurance Company of St. Louis has been dissolved. In the same opinion of the federal court the application for a receivership of the company was denied. This leaves affairs in about the same situation as at the beginning of the trouble, as there appears no indication that the dissatisfied stockholders will discontinue the fight against the merger. The fight, for the time being at least, is transferred to the Missouri department of insurance but the federal court has reserved the right to make further inquiry into the terms of the proposed merger and to see that any merger is on terms that will be just and equitable to all concerned.

Death of Omaha Banker

Gustave A. Wise, one of the most prominent financiers of Omaha and a director in the City National Bank and the City Trust and Safe Company of that city, died last week following an operation in a local hospital. Mr. Wise came to America from Germany when he was an infant and the family settled in Omaha. The boy grew up in Omaha and made money rapidly. He was a prominent Mason. The pall bearers were all directors of the City National, as follows: John R. Webster, H. S. Weller, W. G. Silver, B. F. Thomas, A. W. Jefferis and C. S. Hayward.

Central West Notes

Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, and a member of the civil service commission of Kansas

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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City, has resigned his municipal position. Mr. Holmes was appointed by Mayor Jost, who has adopted the policy of seeking the most prominent business men and financiers in the city for positions upon his boards and commissions. Mr. Holmes served with distinguished success as a member of the civil service board, but he found that it required too great a sacrifice of time.

State Bank Commissioner Swanger, of Missouri, issued a call for state bank statements November 30th, of the condition of state banks at the close of business November 26th.

Daniel Hughes, 54 years of age, died at his apartments in the Carlton Hotel, Kansas City, last week. He formerly lived in Liberty, Mo., where for eight years he was president of the First National of that city.

Edward Bealy, 24 years old, son of William Bealy, president of the Farmers Bank of Morrill, Kan., killed himself last week. No cause was given.

John E. Wagner, cashier of the First State Bank of Larned, Kan., is a candidate for the office of bank commissioner of Kansas under the new democratic administration. Mr. Wagner was formerly vice-president of the Kansas Bankers Association and is well known throughout the state. J. N. Dolley, who has been commissioner during the administration of Governor Stubbs, will retire next March.

Dr. W. S. Woods, formerly president of the National Bank of Commerce of Kansas City, but now living in retirement in southern California, has donated \$19,200 to the William Woods College of Fulton, Mo., under a pledge he made some time ago to duplicate donations made by others.

C. G. Hutcheson, cashier of the First National of Kansas City, spent Thanksgiving in Halstead, Kas., with his mother.

The Texas department of banking has approved the following reserve agents for state banks: For the Rogers State of Rogers, the Guaranty State Bank and Trust Company of Dallas; for the Angleton State of Angleton, the State Bank and Trust Company of San Antonio; for the Hagerman State of Hagerman, the Chase National of New York and the Pioneer Trust of Kansas City; for the Guaranty State of Longview, the Hanover National of New York; for the First State of Mart, the Third National of St. Louis; for the First State of Talpa, the American National of Austin; for the Willis State of Willis, the South Texas Commercial National of Houston and the National Bank of Commerce of Houston; for the Bank of Dundee, the Hanover National of New York; for the First State of Bryson, the Guaranty State Bank and Trust Company of Dallas; for the First State of Hallville, the State National of Fort Worth and the Guaranty State Bank and Trust Company of Dallas; for the Farmers State of Clarendon, the Drovers National of Kansas City; for the First State of Bishop, the Alamo National of San Antonio, and for the First State of Gary, the Guaranty State Bank and Trust Company of Dallas.

The following out-of-town bankers called upon Kansas City banks last week: F. P. Metzger, president of the German-American

State, Topeka; W. H. Holt, president of the Farmers State of Gage, Okla.; J. L. Hine, vice-president, and A. E. Keith, cashier, of the State Savings of Springfield, Mo.; F. L. Patton, cashier of the First National of Kingfisher, Okla.; J. D. Covey, cashier of the Benton County National, Bentonville, Ark.; Fred C. French, cashier of the First National of Hutchinson, Kas.

DAYTON CHAPTER

William Beiser of Cincinnati was one of the speakers at a recent meeting of the Dayton (Ohio) Chapter. Mr. Beiser's talk was based upon the subject of credits in banking, and, in addition to dealing at length upon the question of credits, he referred to the importance of maintaining the various local branches of the American Institute and items keeping the business of banking upon a plane commensurate with its importance in the realm of commercialism. "One of the most important things for a banker to learn is the means of determining whether or not a man is entitled to credit at a banking institution, and why he is or is not," said Mr. Beiser.

Bryon W. Moser of St. Louis, president of the Institute, spoke upon the plans and purposes of the organization. He explained that twentieth century methods demand twentieth century thought and preparation.

BOSTON CHAPTER

Boston Chapter recently held its third meeting of the season at the Boston City Club auditorium. There was an informal dinner at 5:30, after which the meeting was called at 6:15. Henry C. Long, Esq., of Cambridge delivered an address on "The Development of Massachusetts Waterways" and Rev. R. Perry Bush, D. D., of Chelsea spoke on "A Glimpse of Panama." A special program of vocal and instrumental music under the direction of Fullerton C. Vose had been arranged for this meeting and was warmly

applauded. Robert H. Bean, is president of the Boston Chapter. Special attention is called to the annual chapter dinner on February 10, 1913.

ST. LOUIS LETTER

(Continued from page 15)

sas Telephone Company. Naturally, this condition caused considerable confusion and some inconvenience to subscribers, to avoid which it is proposed to operate in all this territory, including Texas, under one name." It was said no new stock would be issued, except as exigencies might require, and that no change of operating or additions of real estate or buildings would be made, at least for a year.

St. Joseph Railway and Power Company Sold

The properties of the St. Joseph Street Railway, Light, Heat and Power Company, have been sold by E. W. Clark & Co., of Philadelphia, to Henry L. Doherty & Co. of New York. Doherty & Co., who own gas and electric properties at Joplin and Denver, have purchased all the outstanding common stock, valued at \$3,500,000, at \$60 a share. It has not been decided which one of the Doherty holding companies will take over the local properties. It is not believed that the sale of the street railway company will have any effect upon the local management.

ADAMSON BILL IS BLOCKED

Washington, December 3.—An amendment offered by republican leader Mann, proposing a rigid regulation of the issuance of stocks and bonds, prevented passage by the house to-day of the Adamson bill, that would authorize a special commission to ascertain the physical valuation of railroads and other interstate carriers, with the view of aiding the Interstate Commerce Commission in fixing equitable freight rates.

Debate on the bill, which was favorably reported by the Interstate and Foreign Commerce Committee at the last session, had been in progress for nearly five hours, and a vote was about to be taken, with practically no opposition in prospect when Mr. Mann moved that the measure be sent back to the committee with instructions that it be reported with his proposed section added. After an extended debate on a point of order against the amendment made by Representative Sims, in charge of the bill, the matter went over until Thursday by unanimous consent.

Mr. Mann's amendment would prescribe in detail how an interstate carrier should incur indebtedness, and would prohibit the issuance of stocks, bonds or notes except in return for money or other consideration approved by the Interstate Commerce Commission.

With a permanent corps of experts inquiring into the value of carriers' property, the proposed law would make it possible for the Interstate Commerce Commission to fix rates on the basis of profits to be realized on actual investments, instead of on paper valuations. Public carriers alone now "are allowed to charge an income on what they owe as well as on what they own," according to the committee's report.

FORRESTON BANK ELECTS OFFICERS

At a recent meeting of the board of directors of the new Commercial State Bank of Forreston, Ill., the following officers were elected: W. W. Overfield, president; Fred W. Vietmeier, vice-president and George C. Snyder, cashier. The bank is capitalized at \$35,000.

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The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums, ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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Capital and Surplus \$3,000,000

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F. G. WINSTON
Vice-President
PERRY HARRISON
Vice-President
E. F. MEARKLE
Vice-President
J. S. POMEROY
Cashier
FRED SPAFFORD
Asst. Cashier
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MILWAUKEE

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Bank clearings in St. Paul gained more in November than in any other month. The gain for the eleven months is \$44,867,548. The total for the year is \$531,039,915. Bankers are hopeful of reaching the \$6,000,000 mark. The figures to date are:

1912.	1911.
January \$43,587,752.18	\$41,987,103.50
February .. 44,987,933.40	36,552,849.00
March 54,504,056.99	50,333,359.21
April 42,647,251.08	42,262,712.89
May 42,883,673.11	40,817,611.35
June 44,864,088.10	42,683,160.83
July 45,632,541.22	44,207,643.14
August 42,930,592.15	40,255,129.21
September . 46,593,557.95	42,043,253.27
October 60,907,170.58	52,605,011.28
November ... 62,401,299.03	52,414,503.72
\$531,039,915.79	\$486,172,367.40

Following a day in which the Minneapolis bank clearings were \$6,400,000 just after a holiday, E. W. Decker, president of the Northwestern National said: "There are three factors which go to make up the condition of firmness and stability we enjoy today—the firm foreign money market situation, business being transacted in large volume, and the continuous movement of crops. We are not getting as much benefit from the selling of grain as ordinarily by December 1st. The farmers are not selling their grain to the extent that they might. They are holding it for higher prices. The crop will keep coming in the next twelve months, and the marketing of the grain will give Minneapolis a steady, substantial business for a year.

"Money is being loaned in Minneapolis at 6 per cent, and the banks are pretty well loaned up. The situation is such as would inspire optimism, as the banks are taking care of all loans. I do not look for rates to go higher than 6 per cent, and it is possible that they will be a little easier about the middle of February."

Possible Liquidation by State

Liquidation by the state banking department of the State Bank of Commerce, Winnebago City, is said to be the outcome of a failure to reorganize the bank, although nearly all the depositors agreed to the plan. Litigation by disaffected persons is said to be probable.

New Building for Minneapolis Trust

Plans are being drawn by Eastern architects for a new building for the Minneapolis Trust Company, between the First National Building, part of which it now occupies, and the New York Life Building, which the First National has bought. It is on land included in the purchase, and immediately adjoins the site now occupied by the Trust Company. The plans are to be ready about January 1st. They have to be approved by the directors before assured. When the bank built at Fifth Street and First Avenue S a few years ago, it was understood that the Trust Company, which took a lease for ten years, might have to move when the bank needed the third of its building assigned to the Trust Company. The plot of ground is 66 feet front and the idea now is to have a one or two story marble front building with entrance from the adjoining building as well as from Fifth Street.

New Minnesota Bank

The Farmers State of Currie, Minn., was incorporated this week with \$20,000 capital and \$5,000 surplus. Theodore Zimmerman is president and C. M. Hanson is cashier.

Bank Issues Digest of Trade Conditions

The Security National circular just out says that underlying business conditions are about all that could be desired. It continues: "Although we had every reason to expect a great volume of trade at this time, few manufacturers were prepared for the business that has crowded in on them. Insufficient manufacturing facilities, a real scarcity of labor, and in

some parts of the country a serious car shortage, all are hampering the expansion of business, but even with these deterrent factors, business is tremendous.

"There are a few conditions which are annoying, and among these is the uncertainty regarding next summer's tariff action. A revision downward is expected on several important lines and its effect already is being discounted. It is the general belief that the tariff measure to be finally passed by the new congress will be not far from the tariff bill recently vetoed by the president. Tariff changes cannot materially affect business until early in 1914 and the year 1913 will give a good account of itself."

Final Step in Merchants National Merger

Just as St. Paul was getting settled down after a long series of startling bank news items a group of husky men surrounded by detectives began to haul money through the streets and the people again were aroused with banking interest. More than \$2,000,000 was removed from the Merchants National Building to the National German-American Building vaults, as the final step in the marriage of the two institutions under the name of the Merchants National. For thirty minutes the route of the truck carrying the money was under plain clothes martial law. The transfer was made with safety.

Will Erect New Building

A new building is to be erected on the site of the National German building by the stockholders of the new consolidated institution. The first step is for the stockholders of the two merged institutions to sell their respective buildings and then buy the National German building. The last statement to the comptroller put the value of the latter building at \$250,000. A circular to stockholders intimated that the new building is to be a skyscraper and to cost \$1,350,000, or \$1,600,000 with the purchase money added. Appointed

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections

with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

to receive subscriptions for the new building are Kenneth Clark, L. W. Hill, E. N. Saunders, F. B. Kellogg, J. W. Lusk, F. E. Weyerhaeuser, R. C. Jefferson, D. S. Culver. Each stockholder will be allowed to subscribe up to 40 per cent of his stock. A bond issue of \$800,000 is authorized.

Merger Involves \$50,000,000

From bank statements \$50,000,000 were said to have been involved in the recent bank changes. Assets of the affected banks are \$47,782,831 and money required to raise up capital and surplus amounts to more than \$7,000,000. These sums are tabulated thus:

First National	\$13,552,101.22
National German American	13,347,855.01
Merchants National	12,866,680.16
Second National	4,290,328.63
Scandinavian American	1,725,865.87

Total\$45,782,830.89

Amount of money that will be spent to increase capital and surplus:

First National	\$3,000,000.00
Merchants Trust Co.	2,000,000.00
Northwestern Trust Co.	1,800,000.00
American National Bank	450,000.00
Twin City State Bank	35,000.00

Total\$7,285,000.00

St. Paul To Become Financial Center

What the effect is to be the Pioneer Press prognosticates as follows:

"The result of the various mergers and sales will be that St. Paul will now become the financial center it should have been long ago and millions of dollars will be added to the surplus and capital of the city. This will bring about a closer relationship with the hundreds of small towns and rural districts in the Northwest, and should increase every line of business in St. Paul.

"St. Paul now is going to have at least three big trust companies, the Northwestern, the Merchants and the Capitol. This has been one of the city's greatest needs, and many business men and firms have been compelled to carry on their business in Minneapolis, Chicago and New York for want of broad facilities locally. This will be entirely overcome now."

Organize Employees Association

Security National Bank clerks have organized the Security National Bank Employees Association to carry the savings of members so as to get the highest returns, and at the same time cultivate the saving habit. John G. MacLean is president; J. A. Bobb is vice-president and LeRoy Swett secretary; Edward Wagenhals is treasurer. Three bank officers, with the association officers, form the executive committee. President F. A. Chamberlain, Vice-president Perry Harrison and Cashier J. S. Pomeroy. The money is to be invested in commercial paper, farm mortgages and other 6 per cent investments. The bank will furnish the books and the members the work.

Compulsory monthly deposits make the distinctive feature of the new organization. This applies to only such bank employees as voluntarily join and not to employees as a whole. Every member of the new organization must deposit at least \$5 monthly, except the one and two-year men who may deposit \$2.50

monthly. Fines will be imposed upon members failing promptly to make deposit at the appointed time.

Election is Delayed

George A. DuToit of Chaska, chairman of the Minnesota Bankers Association committee appointed to select a successor to Charles R. Frost, who resigned the secretaryship to accept a position in New York, was in Minneapolis this week and said that the committee has made no selection and may not decide for several weeks. Mr. Frost, who was to have left Minneapolis December 1st for the East, will not leave until about January 1st.

Minneapolis Clerks Victors

With a score of 19 to 0 the Minneapolis bank clerks defeated the St. Paul chapter men Thanksgiving morning at the association ball park in Minneapolis.

Interesting Speakers Secured

The Minneapolis clerks for their December meeting arranged for W. L. Harris, a merchant, to speak on "Men and Machinery;" Gray Warren of the First National to speak on "The Evolution of the Transit Departments in Banks;" chalk talk by "Bart" of the Journal.

New Bank

Still another bank for Minneapolis is in sight in the wholesale fruit and commission district. A location is said to be the only lacking requisite. The capital will be \$25,000. G. W. Towne of the Tri-State Investment Company, F. Alexander Stewart and M. F. Land are in the plan. Incorporation is expected about February. The Market State is the only bank in the vicinity.

Northwest Banking Notes

The Farmers State of Monterey is a new Minnesota bank with \$10,000 capital. C. A. Johnson is president and M. S. A. Johnson is cashier.

Duluth is considering an anti-loan shark institution for early in the year similar to the

two Twin City concerns backed by business men.

Bank clearings in Regina, Sask., are reported on the constant gain. The city has a new trust company with \$1,000,000 capital, and a syndicate is to start a flour and feed mill. It is estimated 1,200 houses will be built in 1913. The Grand Trunk is to erect a million-dollar hotel and there will be a city expenditure for improvements of \$1,250,000.

B. I. Keating of Enderlin, N. D., deputy state bank examiner, is talked of in political gossip as a possible head of the department in the new régime. Minot is urging S. L. LaDue of that city for the position.

At the last call, November 26th, Minneapolis bank deposits were the record for the city, or \$115,938,318.79. The total was even larger on two other recent days, by \$3,000,000. The deposits were \$4,759,380 greater than September 4th and \$9,290,364 than a year ago, December 5th. Commercial deposits were \$4,456,337 greater than in September and \$7,134,912 more than in December, 1911. Loans and discounts were \$2,465,905 greater than in September, and beat the year ago record by \$7,832,830. The deposits of four savings banks reporting on call were \$21,132,813, or \$428,717 greater than in September and \$1,761,854 than in December, 1911.

St. Paul Nationals Show Gain

Six national banks in St. Paul showed a gain of \$3,607,929 in deposits for Nov. 26th as compared with the previous call, Sept. 4th. The Merchants National, consolidated with the National German American as the Merchants made its reports as of Dec. 2d. The gains are as follows: Merchants National, \$1,330,011; First National, \$836,709; Second National \$725,089; Capital National, \$440,016; Scandinavian American, \$152,519; American National, \$123,585. Total deposits in the large banks were \$47,442,134 and the outlying banks are expected to make the total \$50,000,000. The report is the largest St. Paul record. The resources of the banks amount to \$58,137,439.

JOLIET BANKER ACCEPTS POSITION IN OMAHA

W. D. Moore, vice-president of the First National of Joliet, Ill., has accepted a position as cashier of one of the important banks of Omaha. Mr. Moore formerly was connected with the Peoples Bank of Bloomington, Ill.

INDIANA BANK ASSETS

Indianapolis, Ind., December 2d.—Harry Arnold, head of the banking department of the auditor of state's office, has completed a report on the condition of the state, private and savings banks on September 30, 1912. The combined resources amounted to \$136,903,348.68.

GIVES CALENDARS

Illinois Trust and Savings of this city is giving handsome calendars to its customers.

F. W. Woodruff, vice-president of the First National at Joliet, Ill., and W. W. Greengbaum, assistant cashier of the Illinois State Savings, Pontiac, Ill., were Chicago visitors this week.

King Edward Hotel in New York

At Broadway and Long Acre Square

145 to 155 West 47th Street

"The Very Heart of New York"
Absolutely Fireproof

350 Rooms 250 Private Baths
Every Modern Convenience
European Plan Exclusively

RATES:

Single rooms, hot and cold water	- -	\$1.00-\$1.50
Single rooms, private bath	- -	\$2.00-\$2.50-\$3.00
Suite, parlor, bedroom and bath	- -	\$4.00-\$5.00
Suite, parlor, 2 bedrooms and bath	- -	\$5.00-\$6.00
Each additional person in same room		\$1.00 extra.
Rooms for Maids and Valets	- - - -	\$1.00

VICTOR HOTEL COMPANY, Limited

C. A. Hollingsworth, President

NEW YORK CITY

Pacific Northwest Banking News

A comprehensive survey of Spokane by Secretary George A. Raymer of the Buying-at-Home League shows that the annual output of factories in this city is worth \$50,000,000.

The reports show a grand total of 9,333 persons employed by 181 factories and public service corporations, having a capital invested of \$49,418,273, and an annual payroll of \$7,670,674.

Figures for the various industries follow:

	No. Firms	Em- ployees	Capital Invested	Pay-roll
Ice Machines, Sheet Metal Works, Harvester, Iron, Steel, Brass.....	20	498	\$ 1,271,210	\$ 468,575
Service Corporations.....	4	3,335	29,687,000	2,800,000
Brewers and Bottlers.....	10	141	2,530,700	177,535
Brick, Clay and Cement.....	13	1,002	4,184,000	812,120
Cigars.....	4	37	24,000	46,600
Sash and Door, Shingles, Boxes.....	20	1,556	3,840,000	1,195,744
Lithographing and Engraving	4	57	69,000	64,600
Matresses, Shirts and Pen- nants.....	5	135	314,573	67,280
Paints, Carriages and Auto Supplies.....	7	101	468,100	128,800
Candies, Crackers and Bis- cuits.....	8	393	775,700	250,480
Commercial Bakeries and Flour Mills.....	9	258	1,757,700	239,115
Tents, Awnings, Trunks and Grips.....	4	45	118,500	37,952
Ice Cream, Butter and Pack- ing House Products.....	6	504	2,102,200	391,900
Electric Signs and Screens and Electric Supplies.....	4	51	82,500	44,200
Extracts, Spices, Bluing, Soap and Ammonia.....	8	95	108,000	79,800
Hats, Caps, Gloves and Suspenders.....	4	70	120,700	36,865
Fancy Drugs, Show Cases, Brooms and Brushes.....	8	72	182,500	69,170
Marble, Granite and Caskets Pickles, Vinegar, Cider and Jell.....	6	883	421,985	116,549
Miscellaneous.....	7	39	153,500	38,500
	30	861	1,117,105	584,889
Total	181	9,333	\$49,418,273	\$7,670,674

Gas, electric and telephone corporations, of which there are four in Spokane, employ 3,335 persons, have an investment totaling \$29,687,000, and an annual pay-roll of \$2,800,000.

The report of the Buying-at-Home League shows there are 177 factories in Spokane, employing 5,998 persons. Their aggregate investment is \$19,371,273, and annual pay-roll is \$4,870,647.

Lumber mills and manufacturers of paper and wooden boxes and shingles lead with 1,556 employees and a pay-roll of \$1,195,744. Capital invested in this industry is \$3,840,000.

The miscellaneous firms include the manufacturing of yarn, carpets, step-ladders, condensed milk, rubber stamps, counter sales books, jewelry, powder, wool sweaters, macaroni, paper, stock foods and remedies, artificial ice, overalls, mackinaws, and clothing for the retail trade.

The quickening influence caused by bumper cereal and fruit crops in the Spokane country is being experienced not only in Spokane but in the smaller towns throughout the tributary territory known as the Inland Empire. Merchants in the towns in the agricultural belts report trade better than for a number of years. Banner yields, together with good prices, have

brought a great deal of outside capital into many of the districts, resulting in substantial improvements in farm buildings and the purchase of improved machinery. Much acreage has been sown to fall wheat. The potato growing sections of the Inland Empire report remarkably large crops. Rosalia, Wash., alone shipping 100 carloads.

Thomas H. Brewer, president of the Fidelity National Bank, has started a campaign to have Spokane depositors supply their office girls with bags in which to carry money to the banks. "Spokane business houses almost invariably send girls to the banks with their deposits," states Mr. Brewer. "The girls carry these in the bank book, with the edges of the bills showing at both ends of the book. The bills are ordinarily held together with a rubber band and offer an easy bait to any 'grabbers' that might see them. A person snatching at them would get the entire roll. Such carelessness is the result of thoughtlessness more than anything else. Some sort of receptacle should be provided so that the money can be out of sight, and we are suggesting that the firms provide their girls with small sacks."

With the celebration of its sixth anniversary November 26th, the Western Union Life Insurance Company, a Spokane institution, passed the \$15,000,000 mark in insurance in force. General Manager W. M. McConnell announced that November business on that

date was well past the half-million mark, the policies being distributed over Washington, Oregon, Idaho and Montana. R. Lewis Rutter, vice-president of the Spokane & Eastern Trust Company, is president of the Western Union Life Insurance Company, which employs 200 persons, including 181 licensed agents. The pay-roll of the company in commissions and salaries aggregates \$160,000 per annum.

EDMONTON NEWS

Official announcement is made by the city commissioners of Edmonton that the municipality will expend approximately \$1,500,000 for street railway construction, rolling stock and equipment and substations during the coming year. This is exclusive of the suburban lines to Calder and St. Albert. Three hundred thousand dollars is required for rolling stock. John Moir, street railway inspector, has submitted plans for a belt line system to serve the city within the six-mile circle. Under this arrangement the city, which owns and operates all the public utilities, will use 280 cars over 110 miles of track, giving a seven and a half minute service. The plan covers the entire district, no property in the six mile circle being more than four blocks from a car line. The commissioners will submit the plan to the council in a short time, and it is probable that construction work will begin next year. The belt system is independent of the work described in the opening paragraph.

Hon. Charles Stewart, minister of municipal affairs, announced in Edmonton that 227 local improvement districts, taking in all the settled acres in the province of Alberta, wound up their affairs on November 15th, when the rural municipality act, passed by the last legislature, became effective. The change involves a complete revision of the map of Alberta. Fifty-six rural municipalities have been entrusted with wide powers for self-government, and in addition there are 110 districts with limited powers. Nominations for councillors in the rural municipalities are called for December 2d, the elections taking place a week later. The nominations and elections in the improvement districts are scheduled for early in January. Meanwhile the department of municipal affairs will have charge. The department has two auditors at work in the various districts.

A. McKenny, superintendent of the seed department of the department of agriculture of Alberta, stationed in Edmonton, reports that 70 per cent of this year's grain crop, estimated at 64,000,000 bushels, has been threshed. The grain is of good quality.



A Zig-Zag Journey

WE received in a certain day's mail an item from a Portland, Oregon, bank, drawn on the First State Bank of Bonner's Ferry, Idaho, bearing the endorsement of a bank at Oklahoma City. This item was sent by the Oklahoma City Bank to Wichita, Kansas, thence to Denver, thence to Salt Lake, thence to Portland, and from Portland to the Old National Bank. Bonner's Ferry is in our immediate territory, and had the item been sent to us direct, we could have saved possibly ten days in its collection. Perhaps your items are traveling too slow. Ask for our folder on the Inland Empire and our facilities for collecting it.

The Old National Bank OF SPOKANE

Capital One Million Dollars

Resources Ten Million Dollars

OFFICERS

T. J. HUMBERT, Vice-President

D. W. TWOHY, President

W. D. VINCENT, Cashier

W. J. KOMMERS, Assistant Cashier

J. A. YEOMANS, Assistant Cashier

W. J. SMITHSON, Assistant Cashier

THE NATIONAL BANK OF THE REPUBLIC

OF CHICAGO

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS, NOVEMBER 26, 1912

RESOURCES		LIABILITIES	
Loans.....	\$18,430,992.69	Capital Stock Paid in.....	\$ 2,000,000.00
United States Bonds at par.....	401,000.00	Surplus.....	1,000,000.00
Cash and Exchange.....	9,144,171.56	Undivided Profits.....	433,580.83
		Reserved for Taxes.....	24,500.00
		Currency in Circulation.....	400,000.00
		Bond Account.....	329,000.00
		Deposits.....	23,789,083.42
Total.....	\$27,976,164.25	Total.....	\$27,976,164.25

OFFICERS—JOHN A. LYNCH, Pres.; W. T. FENTON, V.-Pres.; R. M. McKINNEY, Cashier; O. H. SWAN, Asst. Cash.; JAMES M. HURST, Asst. Cash.; W. B. LAVINIA, Asst. Cash.; W. S. BISHOP, Asst. Cash.; WM. G. LEISENRING, Mgr. Bond Dept.; A. O. WILCOX, Mgr. Foreign Department

BOARD OF DIRECTORS—IRA M. COBE, Chairman of the Board, Chicago City Railway, Co.; JOHN A. LYNCH, President; CHARLES H. CONOVER, Vice-President Hibbard, Spencer, Bartlett & Co.; CHARLES R. CRANE, President Crane Co.; JOHN V. FARWELL, Pres. John V. Farwell Co.; H. W. HEINRICH, Vice-President Richardson Shoe Co.; ROLLIN A. KEYES, Pres. Franklin MacVeagh & Co.; JOHN R. MORRIS, Pres. Peter Cooper's Glue Factory, Pres. Atlas Portland Cement Co.; SAMUEL C. SCOTTEN, Treas. Pacific American Fisheries Co.; HENRY SIEGEL, President Simpson-Crawford Co., N. Y.; E. B. STRONG, Capitalist; LOUIS F. SWIFT, President Swift & Co.; FRANK E. VOGEL, Vice-President Siegel, Cooper & Co.; W. T. FENTON, Vice-President.

Report of the Condition of the Drovers Deposit National Bank Union Stock Yards - CHICAGO

At the Close of Business, November 26, 1912

Resources	
Loans and Discounts.....	\$ 6,754,184.30
Overdrafts.....	4,276.33
United States and Other Bonds.....	804,614.56
Real Estate.....	30,000.00
Cash and Due from Banks.....	3,935,233.40
Total.....	\$11,528,308.59

Liabilities	
Capital Stock, paid in.....	\$ 600,000.00
Surplus and Profits.....	502,196.11
Reserved for Taxes.....	10,500.00
National Bank Notes Outstanding.....	593,800.00
Deposits.....	9,821,812.48
Total.....	\$11,528,308.59

OFFICERS	
EDWARD TILDEN, President	M. W. TILDEN, Assistant Cashier
JOHN FLETCHER, Vice-President	F. N. MERCER, Assistant Cashier
GEORGE M. BENEDICT, Cashier	H. P. GATES, Assistant Cashier
DIRECTORS	
EDWARD TILDEN	WM. A. TILDEN
AVERRILL TILDEN	JOHN FLETCHER
GEORGE M. BENEDICT	L. B. PATTERSON
	WM. C. CUMMINGS

Peoples Trust and Savings Bank

Peoples Gas Building, Michigan Avenue and Adams St., CHICAGO

Condensed Report of Condition Nov. 26, 1912

RESOURCES	
Loans.....	\$5,559,249.58
Bonds.....	1,141,043.45
Furniture and Fixtures.....	9,605.47
Due from Banks.....	752,836.83
Overdrafts.....	91.44
Cash on Hand.....	685,633.90
	\$8,148,460.67

LIABILITIES	
Capital Stock.....	\$ 500,000.00
Surplus.....	100,000.00
Undivided Profits.....	108,353.91
Reserve for Taxes and Interest.....	23,322.37
Deposits.....	7,416,784.39
	\$8,148,460.67

DIRECTORS	
CHARLES G. DAWES	S. M. FELTON
J. KRUTSCHNITT	W. IRVING OSBORNE
	GEORGE M. REYNOLDS
	JAMES F. MEAGHER
	C. H. BOSWORTH
OFFICERS	
R. H. GRIFFIN, Vice-President	C. H. BOSWORTH, President
W. J. COOK, Secretary	A. M. RODE, Asst. Cashier
EARL H. REYNOLDS, Cashier	H. T. GRISWOLD, Asst. Cashier
	R. B. UPHAM, Mgr. Bond Dept.

Continental and Commercial National Bank OF CHICAGO

Statement of Condition at Close of Business, Tuesday, November 26, 1912

RESOURCES	
Time Loans.....	\$88,806,757.59
Demand Loans.....	32,531,893.61
Bonds, Securities, etc.....	15,186,082.13
U. S. Bonds to Secure Circulation.....	
Real Estate.....	8,703,062.50
Overdrafts.....	7,172.15
Cash and Due from Banks.....	3,420.89
	64,107,842.45
	209,346,231.32

LIABILITIES	
Capital.....	\$ 21,500,000.00
Surplus Fund.....	8,000,000.00
Undivided Profits.....	1,459,059.91
Reserved for Taxes.....	279,638.76
Circulation.....	8,604,097.50
Deposits.....	\$ 76,868,254.06
Individuals.....	92,635,181.09
Banks.....	169,503,435.15
	\$209,346,231.32

OFFICERS	
GEORGE M. REYNOLDS, Pres.	WM. T. BRUCKNER, V.-Pres.
RALPH VAN VECHTEN, V.-Pres.	WM. G. SCHROEDER, V.-Pres.
ALEX. ROBERTSON, V.-Pres.	NATHANIEL R. LOSCH, Cashier
HERMAN WALDECK, V.-Pres.	HARVEY C. VERNON, Asst. Cash.
JOHN C. CRAFT, V.-Pres.	GEORGE B. SMITH, Asst. Cash.
JAMES R. CHAPMAN, V.-Pres.	WILBER HATTERY, Asst. Cash.
	EDWARD S. LACEY, Chairman of Advisory Committee

Continental and Commercial Trust and Savings Bank CHICAGO

Statement of Condition at Commencement of Business, November 27, 1912

RESOURCES	
Time Loans (secured by collateral).....	\$ 5,637,446.09
Demand Loans (secured by collateral).....	\$6,358,287.36
Bonds and Securities.....	11,836,217.56
Due from Banks.....	1,406,301.34
Cash.....	1,917,823.27
Demand Resources.....	\$21,518,629.53

LIABILITIES	
Capital.....	\$3,000,000.00
Undivided Profits.....	1,652,358.06
Reserved for Taxes and Interest.....	178,442.76
Demand Deposits.....	\$10,263,675.15
Time Deposits.....	12,061,599.65
	22,325,274.80
	\$27,156,075.62

OFFICERS	
GEORGE M. REYNOLDS, President	GEO. B. CALDWELL, Vice-President
JOHN JAY ABBOTT, Vice-President	CHAS. C. WILLSON, Cashier
	FRANK H. JONES, Secretary
	WM. P. KOPF, Asst. Secretary

Hibernian Banking Association CHICAGO

Statement of Condition at the Commencement of Business, November 27, 1912

RESOURCES	
Time Loans.....	\$17,546,932.68
Real Estate.....	71,209.08
Bonds and Securities.....	\$ 7,283,841.52
Demand Loans.....	1,587,401.03
Cash and Exchange.....	3,616,462.38
	12,487,704.93
	\$30,105,846.69

LIABILITIES	
Capital.....	\$1,500,000.00
Surplus.....	600,000.00
Undivided Profits.....	913,767.86
Reserved for Taxes and Interest.....	271,696.39
Demand Deposits.....	\$ 3,709,705.54
Time Deposits.....	23,110,676.90
	26,820,382.44
	\$30,105,846.69

OFFICERS	
DAVID R. LEWIS, Vice-Pres.	GEORGE M. REYNOLDS, President
HENRY B. CLARKE, Vice-Pres. and Manager Savings Dept.	LOUIS B. CLARKE, Vice-Pres.
	JOHN W. MacGEEGH, Cashier
	FREDERIC S. HEBARD, Sec'y
	EVERETT R. McFADDEN, Asst. Sec.
	JOHN P. V. MURPHY, Asst. Cash.
	GEORGE ALLAN, Asst. Cashier

The capital stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the capital stock of the Hibernian Banking Association (\$1,500,000) is owned by the stockholders of the Continental and Commercial National Bank of Chicago.

Combined deposits of these banks, \$218,649,092.39

REPORT OF THE CONDITION OF THE CORN EXCHANGE NATIONAL BANK OF CHICAGO

At the Close of Business, November 26, 1912

RESOURCES	
Time Loans.....	\$29,019,626.29
Demand Loans.....	10,080,110.72
Overdrafts.....	\$39,099,737.01
United States Bonds.....	1,244.56
Other Bonds.....	1,700,000.00
Bank Building.....	2,191,804.98
Cash on Hand.....	2,000,000.00
Checks for Clearing House.....	\$ 8,910,341.94
Due from Banks.....	2,275,405.06
Due from U. S. Treasurer.....	10,317,649.27
	206,000.00
	21,709,396.27
	\$66,702,182.82

LIABILITIES	
Capital.....	\$3,000,000.00
Surplus.....	5,000,000.00
Undivided Profits.....	1,133,773.40
Circulation.....	1,116,197.50
Dividends Unpaid.....	96.00
Deposits—Banks and Bankers.....	\$24,998,972.05
Individual.....	31,453,143.87
	56,452,115.92
	\$66,702,182.82

OFFICERS	
ERNEST A. HAMILL, President	JOHN C. NEELY, Secretary
CHARLES L. HUTCHINSON, Vice-President	FRANK W. SMITH, Cashier
CHAUNCEY J. BLAIR, Vice-President	J. EDWARD MAASS, Assistant Cashier
D. A. MOULTON, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier
DIRECTORS	
CHARLES H. WACKER	MARTIN A. RYERSON
CLARENCE BUCKINGHAM	EDWARD B. BUTLER
FREDERICK W. CROSBY	BENJAMIN CARPENTER
	WATSON F. BLAIR
	CHAUNCEY J. BLAIR
	EDWARD A. SHEDD
	EDWIN G. FOREMAN
	CYDE M. CARR
	CHARLES H. HULBURD
	ERNEST A. HAMILL
	CHARLES L. HUTCHINSON

Foreign Exchange—Letters of Credit—Cable Transfers

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Charles H. Clark of the Mercantile Trust Co., Jersey City, N. J., has been elected cashier of the Peoples Bank, East Orange.

The board of commissioners of Edmonton has called for tenders on 400,000 of 511,533 square yards of paving, estimated to cost \$1,734,786, to be laid next season. The city plans to install an asphalt plant and will bid for some of the work.

Des Moines, December 4th.—President Shade of the Iowa Bankers Association has announced his committees for that organization. They are composed of capable bankers in Iowa and it is thought that much will be accomplished. Because of the coming session of the Iowa legislature the committee on legislation probably will be of the most importance, although the committee on taxation will be a close second because of the efforts which will be made to get bank taxation upon an equitable basis. The committees as furnished by Secretary P. W. Hall are made up as follows:

Legislative committee, three members: Chairman, John McHugh, First National, Sioux City; J. K. Deming, Second National, Dubuque; A. F. Dawson, First National, Davenport.

Taxation Committee, three members: Chairman, E. M. Scott, Security Savings, Cedar Rapids; J. L. Edwards, Merchants National, Burlington; C. D. Ellis, First National Bank, Charles City.

Good Roads Committee, five members: Chairman, M. D. Gibbs, Bank of Northwestern Iowa, Alton; C. J. Wohlenberg, Holstein Savings, Holstein; T. J. Davis, First National, Marion; E. H. Rich, First National Bank, Ft. Dodge; H. T. Blackburn, Iowa National, Des Moines.

Resolution Committee, three members: Chairman, D. H. McKee, German Savings, Davenport; L. E. Stevens, Century Savings, Des Moines; Geo. S. Parker, Live Stock National, Sioux City.

Obituary Committee, one member: J. M. Dinwiddie, Cedar Rapids Savings.

Auditing Committee, three members: Chairman, M. A. Cox, Lyon County National, Rock Rapids; J. S. Wilson, First National Bank, Hull; John Kirby, First National, Estherville.

Bank in New Building

Another Des Moines bank now is in a new location. The Central State, one of the wealthiest institutions in Iowa, removed Saturday into its new building on Fifth Street. The new structure is not entirely completed but the officials of the bank decided they could not longer resist the temptation to move. The formal opening will be held later. The building is one of the most elaborate bank buildings in Iowa—in fact many assert that it cannot be beaten. It is strictly a bank building and will not be used for offices or salesrooms. The removal of the Central State marks the third transfer on the part of Des Moines institutions within the past month. The Mechanics Savings and the Home Savings have preceded the Central State with new homes. The Iowa Trust and Savings also will be quartered in a new home before winter sets in. Des Moines banks are prosperous and the officials are happy.

Des Moines Clearings

Clearings for the Des Moines banks for the month of November totaled \$19,579,825.31.

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

This is an increase over the clearings for the corresponding month last year of approximately \$2,000,000. November was an excellent month and the clearings for each week showed handsome increases when contrasted with those for corresponding weeks last year.

Want Farm Assessments Increased

Action to force the executive council to increase the assessments on farm lands has been started in the courts of Des Moines by the Iowa League of Municipalities. It is charged in the petition as filed by Secretary F. G. Pierce, of the above organization, that farm lands in general throughout the state are assessed at 40 per cent, railroads at 60 per cent and city and town property at 75 per cent. This he avers is entirely wrong. He insists that the assessments on farm lands should be as high as those on city property, and declares that the politicians who hold down the state offices favor the farmers in order to secure their votes. Mr. Pierce might have stated also in his petition that bankers pay the highest taxes proportionately of any class of citizens in Iowa. Bankers pay on an 80 per cent valuation. This is on its face so unjust that it is not to be wondered at that steps will be taken to secure a more equitable system at the hands of the next legislature.

Good Roads Enthusiast

F. Furst, president of a bank at Adair, and one of the wealthy farmers of central Iowa, was in Des Moines last week en route to his home from Canada. Mr. Furst is a good roads enthusiast. He has made a study of the highway problem and is convinced that the abandonment of the section lines will help a lot in making better roadways for the state. Mr. Furst thinks that the automobile is going to revolutionize the road question.

John Nathan Smith, formerly a well-known Des Moines attorney and at one time candidate for congress on the democratic ticket in the seventh Iowa district, has been sentenced to eighteen months in the federal penitentiary at Fort Leavenworth. Smith was convicted of bilking G. N. Thorley, his father-in-law, a banker at Springview, Neb., out of \$5,000.

State Auditor Re-elected

The official count of the ballots cast at the recent election shows that John L. Bleakly

was re-elected auditor of state by 10,104, which is considered a good showing, considering that he was contending against both the democratic and the bull moose parties. Mr. Bleakly leads the list of the republican candidates who had a three-cornered fight of this kind to face. With the bull moose vote in the republican party as formerly, Mr. Bleakly would have 40,000 to 60,000 plurality. There will be no change in the state banking department. Mr. Bleakly will oppose the proposition of transferring this department to the office of the state treasurer or making it a separate office. This plan always comes up at the legislature and probably will be up again at the forthcoming session in January.

No New Coins

Des Moines people who are relying upon bright, newly coined half-dollars and silver quarters for Christmas presents must do without this year, it seems. One of the bankers who wrote his perennial letter asking for shiny coins, received a letter from Lee McClurg of the treasury department to the effect that there will be nothing doing this year. Mr. McClurg explains that there is enough coin on hand to keep things moving and that it does not seem wise to purchase silver bullion for the sole purpose of furnishing bright new coins for those in quest of Christmas presents.

Bankers Indicted

Indictments have been returned by the grand jury at Fort Dodge accusing C. A. Isaacs, cashier of the Forest City National and H. M. Morrison, formerly cashier of the First National at Lake Mills, of making false entries with intent to defraud. There are thirty-nine counts in the true bill against Isaacs and nine counts in the indictment against Morrison. Both defendants were released upon furnishing \$10,000 bail. The exact amount of money involved is not known.

New Banks for Perry and Sidney

A new savings bank has been organized at Perry by capitalists of that city. It will open for business about the first of the year. The capital stock will be \$25,000. It is the purpose of those organizing the institution to procure a building and it is probable that they will erect a new structure of their own. John C. Bryan of Perry is to be president, Frank Woods will be cashier and the other officers are to be announced later. Rumors that a new bank is to be organized at Sidney have at last assumed definite shape. Articles of incorporation for the Fremont County Savings have been filed. P. J. Cilley, cashier of the Farmers Savings at Hamburg, is to be president of the institution, which is capitalized at \$25,000. T. E. James of Sidney is vice-president; W. E. Craft, formerly a merchant at Shenandoah, is cashier. It is anticipated that the institution will build a structure in which to do business.

Discovers Stolen Property

Harry Farley, who lives south of Lorimor, while husking corn last week, found a quantity of stuff that was stolen from the Thayer bank when it was robbed last spring. The plunder was worthless, however.

Celebrates Anniversary

The Drake Park Bank, University Place, Des Moines, celebrated its first birthday last week. The bank was founded by Grant McPherrin, formerly of Clearfield, and one of the best known bankers in the state. In its first year the institution has gathered in 500 depositors and has deposits of \$80,000, which is considered a first-class showing.

Iowa Notes

Roger Leavitt, president of the Cedar Falls National, has presented a bronze tablet to the

First Congregational Church at that city in memory of its charter members. The tablet was unveiled Sunday morning, at which time an interesting program was given.

The bankers at Muscatine have put a basketball team in the field to wrest the honors of the city basketball league, which starts its schedule at once.

A jury in the federal court at Des Moines gave a verdict for the defendant in a suit for \$3,867 brought by the First National at Hicksville, Ohio, against Robert O. Elzy, an Iowa farmer. The suit was brought on promissory notes and was unusual in that suits of that character usually are won by the institution in possession of the notes.

Sioux City

By JOHN J. BIDDISON

A falling off of nearly four million dollars in total deposits was shown by the national bank statements for the close of business November 26th, as called for by the comptroller of currency. Sioux City banks were revealed to have total deposits of \$12,561,183.48, as compared with \$16,210,935 at the last statement; and the cash reserve was \$3,714,614.44, as compared with \$6,710,527, still well within the requirements, but showing the heavy demand that has been made on the Sioux City banks to finance the crop movement that barely is started.

"Owing to the fine weather, business has been practically at a standstill in the smaller towns," said John McHugh, president of the First National, "the farmers being engaged in gathering the corn crop. There is an unusually good crop, and the funds necessary to harvest it, as well as the funds to buy feeding cattle in a great many instances, to which to feed a portion of the corn, has been furnished by the banks, notwithstanding that very little of the crop has been converted into cash.

"The harvest now being practically completed, there is indication of some marketing of the crop, and from now on this will proceed steadily."

Visiting Bankers

The following bankers were in Sioux City during the past week: C. E. McKinney, president, Sioux Falls National, Sioux Falls, S. D.; Guy Wilson, cashier, Laurel (Nebr.) National; A. R. Browne, cashier, First National, Alta, Iowa; and J. S. Wilson, cashier, First National, Hull, Iowa.

Banking Notes

A league of basket-ball teams representing the various banks of the city has been formed to play at regular intervals at the Y. M. C. A. The teams are from the First National, Live Stock National, Security National and National Bank of Commerce.

Miss Norma Brown, daughter of R. L. Brown, a banker of Aberdeen, has been chosen to head the domestic science short course of the South Dakota Better Farming Association, to be given at Aberdeen in December.

The building of the First State bank of White Owl, S. D., was destroyed in a fire there last week that practically wiped out the town. Until it can rebuild, the bank will be quartered in the rear of the post office, the only business block that was saved.

The Farmers and Merchants bank has been organized at Foster, Neb.

Elmer E. Swanson, teller at the Northwestern National for the last year, has resigned and gone to Arizona for the benefit of his health. His place is filled by A. J. Fos-

berg, a promotion. A handbag was presented to Mr. Swanson, on the occasion of his departure, by his fellow employees.

The Balkan war has been cutting in on the postal bank deposits here. Greeks departing have resulted in a slight decrease of the total deposits, which at the close of business November 30th amounted to only \$15,860. Demand for government bonds was slight.

CENTRAL TRUST APPOINTED RECEIVER

Central Trust Company of Illinois has been appointed by Federal Judge Landis to take charge of the affairs of the defunct "Daily World," socialist newspaper in Chicago.

BANKING NEWS

While bank examiners were investigating his accounts, Emmet S. Bagdy, assistant cashier of the City National, Paducah, Ky., shot and killed himself.

A charter has been issued to the First National Bank, Coachella, Cal., capital \$25,000.

The Farmers National of York, Neb., has been placed in voluntary liquidation to be consolidated with the First National of York.

A charter has been issued to the Peoples State National Bank of Anderson, Ind., capital \$100,000, a conversion of the Peoples State Bank.

William W. McCleary, cashier of the First National at Marion, Ind., died recently at the Presbyterian Hospital, in Chicago, from pneumonia.

Charles H. Clark of the Mercantile Trust Co., Jersey City, N. J., has been elected cashier of the Peoples Bank of East Orange.

Harry A. Schlottzhauer has been elected vice-president of the First National, Terre Haute, Ind., and will take up his new duties December 15th. Mr. Schlottzhauer was formerly cashier of the American National at Indianapolis and the Fletcher American National. He has been a national bank examiner since December, 1911.

The Newhall (Iowa) Savings Bank proposes to increase its capital to \$30,000.

Moline's fifth bank, the Commercial Savings, opened its doors on Monday of this week. The directors are: John Weckel, J. Schmidt, G. W. Crampton, August Link, Henry Juehl, Frank Styvaert, S. F. Larson, J. D. Metzger, Dr. W. P. Hinman, H. F. Vierich, J. H. Efflandt, F. H. Gluesing, H. W. Plambeck, Dr. A. M. Beal, H. N. Lage, Dr. A. H. Arp and R. M. Johnson.

A charter has been issued to the First National Bank of Omaha, Ill., capital \$25,000, which succeeds the Exchange Bank of Omaha.

T. A. Green, first vice-president of the New Bern (N. C.) Banking Co., has been elected cashier. He succeeds G. B. Pendleton, who has gone into the trust company service at Atlanta.

J. Herbert Case has been elected vice-president of the Farmers Loan and Trust Company, New York, in charge of commercial credits. Mr. Case has been officially connected with the Plainfield Trust Company of Plainfield, N. J., since its inception ten years ago, and in addition has been vice-president of the Franklin Trust Co., Brooklyn, since 1910.

H. N. Schuyler, president of the H. N. Schuyler State Bank of Pana, Ill., and mayor of that city, has donated the lot upon which a \$20,000 Carnegie library is being erected.

GOOD ROADS MEN MEET

The meeting of the officers and directors of the Illinois Highway Improvement Association at Bloomington Saturday, November 30th, brought out quite a number of bankers interested in this important matter. N. W. Duncan, president of the La Salle State, and George A. Wilson, president of the La Salle National, motored over from La Salle, a distance of some sixty miles. They brought with them Messrs. Neustad and Slicker, both interested in road development.

The purchase by the state of Illinois of the historic and scenic beauty spot of the state, Starved Rock, naturally prompts the La Salle people to be interested in the matter of developing a better system of roads, so that people who desire to do so can visit this attractive spot at any season of the year without inconvenience. George P. Blow of the La Salle Commercial Club, who is a member of the directory of the Illinois Highway Improvement Association, was unable to be present but was represented by Mr. Thompson of the latter organization. Senator-elect Franklin of Lexington, McLean county, Representative Rowe of McLean and Representative Lyon of Sangamon county were state legislators present. The agricultural press was represented by F. L. Petty of the Orange-Judd Farmer, H. E. Young of the Farmers Review and C. V. Gregory of the Prairie Farmer. S. E. Bradt, vice-president of the Illinois Highway Improvement Association, chairman of the good roads committee of the Illinois Bankers Association, president of the First Trust and Savings of De Kalb and Thomas Sudduth, treasurer of the Improvement Association and a director of the Farmers National at Springfield, were among the bankers in attendance. Automobiles were furnished and upon the arrival of the afternoon trains a party was made up and taken to a piece of good road running south from Bloomington some six miles in extent, which has been built within the last few years. It seems that former state senator Frank H. Funk, recent progressive candidate for governor, was able to induce important land owners whose frontage touched this road to make substantial contributions, and with some help given by the city of Bloomington, the park system and the township commissioners, they have been able to build a macadam road from Bloomington to a point opposite Shirley, a station on the Chicago and Alton Railroad. The crushed rock has been joined with a California asphalt, which gives it a surface equal to that of the city boulevard. Frequent stops were made to inspect the road and all those in the party were extremely well satisfied with the tour of inspection. The trip was extended on through Funk's Grove, the seat of the original location of this family in Illinois, to McLean, an important grain shipping point on the Chicago and Alton. Here a piece of concrete pavement surrounding the little town park and which has lifted this city out of the mud at all seasons of the year, was a pleasant surprise to the visitors who inspected it. This is an example which Illinois counties might follow with advantage.

The McLean State Bank was visited there. This is a thriving institution and is well housed in a modern, up-to-date bank building. Vice-president H. M. Palmer, cashier Frank Waldrich and assistant cashier C. A. Carter received the visitors, and were pleased to call their attention to the exhibit of prize seed corn which had been brought to the bank by the farmers of the locality in response to prizes offered by the bank.

At McLean the party was joined by State Highway Engineer A. N. Johnson of Springfield, C. G. Miller of Cairo and James Donovan of Niantic, president of the Illinois Highway

Commissioners Association, and the Hon. Homer J. Tyce of Green View, a member of the legislature and chairman of the legislative committee on bridges and highways, and C. A. Cuyler of Champaign, chairman of the good roads committee of the Illinois State Federation of Commercial Clubs. Others in the party included A. L. Faull of La Salle, H. M. Snate, secretary of the Springfield Commercial Club, R. J. Finnegan, a Chicago newspaper man and secretary of the Illinois Highway Improvement Association, and William G. Edens, assistant secretary of the Central Trust Company of Illinois and president of the Highway Improvement Association.

The return trip to Bloomington was made over some well-dragged McLean county roads. The highway commissioners of this county apparently are above the average in intelligence and in devotion to the work which they have in hand. The result was that this section of roads over which the party passed was in an unusually smooth condition. The party was entertained at dinner in the Illinois Hotel as the guests of Eugene Funk of Bloomington, director in the Improvement Association.

In the evening a meeting was held in the K. of C. hall. This meeting was presided over by



WILLIAM G. EDENS
Prominent Chicago Banker and Good Roads Man, Who Spoke at Bloomington Meeting

Eugene Funk, who explained its purposes and stated that it was not the intention to advocate entirely the building of what are referred to from time to time as hard roads, but to work for the betterment of Illinois roads—better roads than those we now possess. Mr. Funk introduced W. G. Edens of Chicago, who urged upon the audience a study of this important question. Mr. Edens stated that too frequently it was heard that the agitation for better roads was entirely in the interest of the city folks and automobile owners. He pointed out the benefits to be derived by the farmers in having roads which can be used every day in the year, a matter which is of far more importance to the state generally than any pleasure which can be derived from motoring or from tourist travel, although that element, of course, respectfully must be considered. He also called attention to the conditions which surround us in adjoining states, pointing to the improvement made in the earth roads of Iowa simply from the effects of a compulsory road drag law, which requires that earth roads shall be dragged systematically; also to the legislation in Wisconsin where road development is financed by county and state aid, and to the decidedly better roads in Indiana where 40 per cent of their

total road mileage is improved as compared with barely 10 per cent in Illinois with a total mileage of 100,000 miles; also calling attention to the fact that road materials now are being shipped from northern Illinois counties to northern Indiana counties, under a legislative enactment which permits Indiana counties to issue gravel road bonds for the betterment of their wagon roads.

S. E. Bradt of De Kalb followed Mr. Edens and gave an outline of what the bankers are doing in the matter of meeting the Illinois road problems. State Engineer A. N. Johnson outlined to the audience the possibility of a plan for developing some 2,200 miles of permanent roads, which, while it represents but 2 per cent of the total mileage of the state, would include every town in the state having over 3,000 population, with but one exception. Such a system of improving the roads would connect the principal points and would embrace sixty-six counties—about two-thirds of the counties of the state. The plan to finance such a scheme might include the automobile tax which now contains about \$500,000, and the Illinois Central special tax and the receipts from the Illinois inheritance tax law might with propriety be diverted to the matter of road improvement, together with financial support to come from counties receiving the benefit of the improved roads. James Donovan of Niantic spoke briefly, pledging the support of the township commissioners to any plan that would deal fairly with all of the interests involved, defending the highway commissioners from what he regarded as unjust criticism at times by speakers who were not thoroughly familiar with the disadvantageous conditions under which many of the commissioners labor—inadequate tax levies, inexperienced labor, lack of engineering knowledge in the matter of bridge location and construction.

C. G. Miller of Cairo spoke strongly from the standpoint of the owners and users of automobiles and reported wonderful enthusiasm among the people of the lower Illinois counties in the subject of road improvement and prophesied that the time is not far distant when the people of the state will be willing to support road improvement by general taxation.

Thomas Sudduth told of his experience in attending good roads meetings in various parts of the southern section of the state and spoke particularly of the enthusiasm of the people of Greenup, Effingham, Vandalia and other points located along the line of the old national turnpike, extending from Terre Haute, Indiana, on the east, through southern Illinois to East St. Louis on the west, and of their strong demand that the national government rehabilitate this historic road. Mr. Sudduth also spoke of the interest of the people of Litchfield, Carlinville and other central Illinois cities in regard to the possibility of developing a state system of roads, one of which to extend from East St. Louis to Chicago.

The most interesting address of the evening was that made by the Hon. Homer J. Tyce. Mr. Tyce and some of his associates in the legislature have been investigating this subject during the past two years, having been selected by Governor Deneen for this important task. Mr. Tyce told of the statistics which have been collected from the medical profession of the state, from the 4,500 township commissioners and from the thousand or more rural letter carriers of the state; all of these people coming in daily contact with the road situation in Illinois. On some of the rural letter carrier routes during the past year the carriers were unable to make their trips for a period of time covering more than two months, owing to the condition of the roads and as a result of the severe weather. Mr.

(Continued on page 30)

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, NOVEMBER 26, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$8,978,733.67	Capital Stock	\$1,250,000.00
Overdrafts	7,383.14	Surplus	400,000.00
United States Bonds	100,000.00	Undivided Profits	203,447.44
Other Bonds	247,050.00	Discounts Collected but not Earned	107,610.71
Real Estate	19,500.00	Reserved for Taxes	22,000.00
Cash and Due from Banks	5,312,918.63	Circulation	99,200.00
		Dividends Unpaid	1,900.00
		Deposits	12,581,397.29
	\$14,665,585.44		\$14,665,585.44

OFFICERS

W. A. HEATH, President G. A. RYTHUR, Vice-President
G. F. EMERY, Cashier A. W. AXTELL, Asst. Cash. H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour H. E. Poronto
James H. Ashby G. A. Ryther
Samuel Cozzens J. A. Spoor
W. A. Heath Edward F. Swift
Arthur G. Leonard
Charles M. Macfarlane
Edward Morris

FOREMAN BROS. BANKING CO.

S. W. Corner La Salle and Washington Streets, CHICAGO

Statement of the Condition at the Commencement of Business November 27, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$9,543,550.43	Capital	\$1,000,000.00
Overdrafts	7,981.20	Surplus	500,000.00
Stocks and Bonds	192,000.00	Undivided Profits	75,689.97
Cash on Hand and in Banks	3,839,365.00	Reserved for Taxes	13,837.40
Total	\$13,582,896.63	Deposits	11,993,369.26
		Total	\$13,582,896.63

EDWIN G. FOREMAN, President JAMES A. HEMINGWAY, Secretary
OSCAR G. FOREMAN, Vice-President HAROLD E. FOREMAN, Asst. Cashier
GEORGE N. NEISE, Vice-President ANDREW F. MOELLER, Asst. Cashier
JOHN TERBORGH, Cashier EDWIN G. NEISE, Asst. Secretary
NEIL J. SHANNON, Trust Officer

Colonial Trust & Savings Bank

La Salle St., N. E. Cor. Adams Chicago

Report of Condition at Commencement of Business, Nov. 27, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$5,914,544.88	Capital Stock	\$ 600,000.00
Bonds	558,189.18	Surplus and Undivided Profits	476,368.67
Furniture and Fixtures	15,500.00	Deposits	8,002,541.69
Cash and Sight Exchange	2,590,676.30		\$9,078,910.36
	\$9,078,910.36		

OFFICERS

LONDON CABELL ROSE, President
JACOB MORTENSON, Vice-Pres. W. F. DOGGETT, Asst. Cashier
R. C. KELLER, Vice-Pres. H. A. SADLER, Asst. Cashier
EMIL STUEDLI, Asst. Cashier WM. J. FELDMANN, Asst. Cashier

1857



1912

CHICAGO

Statement of Condition at Commencement of Business, November 27, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$32,946,940.91	Capital Stock	\$ 3,000,000.00
Bonds and Mortgages	10,559,362.97	Surplus Fund	6,000,000.00
Due from Banks and Bankers	\$13,396,612.60	Undivided Profits	714,211.50
Cash and Checks for Clearing House	8,502,762.31	Reserved for Accrued Interest and Taxes	154,870.50
		Deposits	55,536,596.79
			\$65,405,678.79

DEPARTMENTS

Commercial, Savings, Trust, Bond, Farm Loan, Foreign Exchange

DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate
THIES J. LEFENS, Capitalist
CYRUS H. MCCORMICK, President Inter-
national Harvester Company
SEYMOUR MORRIS, Trustee L. Z. Leiter
Estate
JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
of Directors Joseph T. Ryerson & Son
JOHN G. SHEDD, President Marshall
Field & Company
ORSON SMITH, President
ALBERT A. SPRAGUE, II., Vice-President
Sprague, Warner & Company
MOSES J. WENTWORTH, Capitalist

OFFICERS

ORSON SMITH, President
EDMUND D. HULBERT, Vice-President
FRANK G. NELSON, Vice-President
JOHN E. BLUNT, Jr., Vice-President
J. G. ORCHARD, Cashier
P. C. PETERSON, Assistant Cashier
C. E. ESTES, Assistant Cashier
JOHN J. GEDDES, Assistant Cashier
LEON L. LOEHR, Secretary and Trust Officer
A. LEONARD JOHNSON, Assistant Secretary
F. W. THOMPSON, Mgr. Farm Loan Dept.
H. G. P. DEANS, Mgr. Foreign Dept.

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, NOVEMBER 27, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$20,785,029.41	Capital Stock	\$ 1,500,000.00
Overdrafts	3,916.81	Surplus (Earned)	2,000,000.00
Bonds	1,071,119.20	Undivided Profits	393,161.04
Cash and Due from Banks	6,334,417.61	Reserved for Interest and Taxes	142,000.00
		Dividends unpaid	165.00
		Deposits	24,159,156.99
	\$28,194,483.03		\$28,194,483.03

OFFICERS — L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS — DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; THEO. FREEMAN, Retired Merchant; L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; A. LANQUIST, President Lanquist & Illsley Co.; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKCORDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

Statement of the Condition of the NATIONAL PRODUCE BANK OF CHICAGO ILLINOIS

At Close of Business November 26, 1912

RESOURCES		LIABILITIES	
Loans and Discounts	\$ 1,405,721.11	Capital Stock	\$ 250,000.00
United States Bonds	253,000.00	Surplus	50,000.00
Other Bonds and Securities	409,192.15	Undivided Profits	56,457.40
Furniture and Fixtures	8,612.50	Circulation	248,900.00
Due from U. S. Treasurer	12,500.00	Reserve for Taxes	3,500.00
Cash and Due from Banks	722,107.20	Deposits	2,202,275.56
	\$2,811,132.96		\$2,811,132.96

OFFICERS — EDWIN L. WAGNER, President; JOHN W. LOW, Vice-President; RALPH N. BALLOU, Cashier; H. B. AHRENSFELD, Assistant Cashier.

DIRECTORS — Thos. C. Blayney, Edward R. Davis, S. M. Hastings, Charles W. Higley, John W. Low, Walter McBroom, Sampson Rogers, W. C. Shurtleff, E. H. Story, Edwin L. Wagner, Wm. P. Wagner, Wm. Wingle, Jr.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BUSINESS OPPORTUNITIES

If You Want to buy or sell the controlling interest, or stock carrying official position in a bank, we would like to hear from you at once. No publicity or annoyance. All dealings strictly confidential. We have a number of good banking propositions for sale. C. B. Enkema & Co., 236 Security Bank Bldg., Minneapolis, Minn. References: Any Bank or Commercial Agency here.

Bankers! We can place you in touch, promptly and without cost, with just the kind of a man you are looking for. We have good men capable of filling any bank position with or without investment. Outline your requirements and we will do the rest. C. B. Enkema & Company, 236 Security Bank Bldg., Minneapolis, Minn.

GOOD ROADS MEN MEET

(Continued from page 28)

Tyce stated that their report would be made to the members of the legislature immediately after that body has convened, and that as a result of their investigation they would unite for a strong bill covering the subject of road improvement.

The closing speaker was R. J. Finnegan of Chicago. Mr. Finnegan explained in detail the purposes for which the organization had been founded; also taking up and explaining the platform which had been adopted by the organization at its convention held in Peoria in September. The platform as presented by Mr. Finnegan is as follows:

1. State and county co-operation in the construction and maintenance of main highways and bridges.
2. A non-political state highway commission of at least three competent members, who shall devote their entire time to their duties.
3. Improvement (in such counties as elect to come under the provisions of the law) of main, continuous, inter-county highways connecting county seats and other important cities, principally at the expense of the state and county; such roads to be selected and improved by county authorities, subject to the approval of the state highway commission, and after improvement to be turned over to the state for perpetual maintenance.
4. Improvement, maintenance and control of remaining roads (about 80 per cent of the whole) under supervision of county and township authorities.
5. Effective measures to guarantee maintenance after roads are once constructed.
6. Use of the state automobile tax, together with such other funds as the legislature may appropriate, in the improvement of highways.
7. Extension of the employment of prisoners in state institutions in the preparation of material for road building, and the use of state prisoners—under state direction—on an honor system, in actual road work when practicable.
8. Payment of all road taxes in cash.
9. Compulsory dragging of all dirt roads.
10. Safety of road users, such as "Rules of the Road," and the proper construction and guarding of crossings at railroads and intersections of streets and highways.

The meeting was attended by a representative gathering of men and women of Bloomington, many important land owners being included in the audience. After the adjournment a meeting of the officers and directors of the Illinois Highway Improvement Association was held at the Illinois Hotel. Two additional vice-presidents, seven directors and an advisory committee of twenty-one members were created, all of which had been provided for in the constitution of the association adopted at Peoria in September.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

SECRETARY W. B. HARRISON of the Oklahoma Bankers Association is active in the back-to-the-soil movement in his state.

HE traveled over the state on the Kaffir corn special train and was one of the headliners on the speaking programs.

FURTHERMORE, he can talk, and some of the brother secretaries could make a hit by getting him on a state program.

A WOMAN speaking no English has brought suit against a southwest side private bank alleging that while she deposited \$1,200, her book shows credits of but \$300. Thus it goes.

FROM its position as one of the most popular books of the day, "The Promised Land" has risen to be regarded not only a readable and worth-while book, but a real necessity to all, whether native or foreign born, who would rightly appreciate the opportunities and responsibilities of America. Social workers and patriotic societies are recommending the volume, glad to co-operate in this way with the author, Mary Antin, in her efforts to help the immigrant to know how he may secure the best advantages of his adopted country and how he may best serve it.

IN "The Boy's Book of New Inventions," by Harry E. Maule, just published by Doubleday, Page & Co., are a number of intimate pictures of the inventors at their work. These passages show the characteristics of the men behind a great many of the inventions which have done much to revolutionize our mode of living.

THERE could not be found a more instructive and interesting book for boys. It's a mental stimulant and will help an ambitious youngster.

WARE & LELAND continue to "advise caution" but would buy any first-class security on declines. Sounds about right.

VICE-PRESIDENT RALPH VAN VECHTEN furnished the centerpiece for a special financial advertising page in the Chicago Tribune on Wednesday.

IT was "good stuff" and told the people what advantages they have in the outlying banks in Chicago. Emphasis was laid on state or national supervision "same as the down-town banks."

IN reality, while not primarily so intended, it was a first-class article in favor of state supervision as proposed by the Dawes committee and Mr. Harris.

MR. VAN VECHTEN shows that the savings deposits outside of the loop district have doubled in the organized banks in five years, which is going some. The individual deposits have increased 63 per cent in the same time in the outlying territory.

WHAT'S the use? James A. Patten spent thousands to convict a get-rich-quick book agent and he has been out on bail now for three years, "pending an appeal," and is doing a land office business at the old stand.

WHY not, Mr. Patten, ask the court if he is out on an "indemnified" bond, the kind that was ordered cancelled in the Indianapolis dynamite trials. Might hook the crook in that way?

SUPERINTENDENT of Banking Kelsey S. Chase, of Minnesota, will ask the legislature to authorize a commission to pass upon applications for banking charters.

THE superintendent under the present admirable Minnesota banking law has not the power to refuse a charter upon proper request. He thinks most communities in his state are well supplied at present. Some of them over-supplied.

THIS power should be created in every new banking law and added by amendment to existing laws. When banking facilities exceed the legitimate demand the trouble begins. The conservative situation is at an end in the face of over-competition.

FLETCHER SAVINGS & TRUST, Indianapolis, is asking for competitive plans from architects for its new sixteen story building.

THE curious fact is recalled that the Bank of England, which is just now appealing against its rates, has the right to sell beer without a license. This privilege was granted to the bank in its charter of incorporation under the great seal, dated July 27, 1694. And so the bank, if it liked, could open a saloon in Threadneedle Street, or could send trucks round and deliver beer from door to door.

BROTHER ROGERS of Little Rock is right in it with the Bank of England for his bank operates on a state charter issued originally for a sawmill. No banking law in Arkansas of any kind.

THE most appropriate gift for a Christmas present for a young person is a savings bank book.

PRIVATE bankers are getting it hot and heavy in Illinois, and especially in Chicago. Looks as though the march of supervision out there is destined to wipe out the ill-advised opposition that carried the day at the Illinois convention.—Financier.

NOW it is said that Geo. W. Hyde of the First National, and Garrard Comly of the Shawmut, both of Boston, will be candidates for the A. B. A. treasurership at the Boston convention next year.

WE fear that some of the traveling "vice-presidents" of some of our New York contemporaries have been busy down that way. It hasn't been customary of late to elect any officer from an entertaining bank.

THE bank examiner would have had a light job in Francis J. Hadicek's "bank," for that enterprising financier (in court) disclosed that he "kept no books."

IF you called them rat-skin coats the ladies wouldn't buy. Nor would the husbands put up the three or four hundred asked. You must believe that they are "mole" skins.

WE need a pure food law adapted to the fur business—also to the advertising business.

SECRETARY C. E. WALKER of the Kentucky Bankers Association has sent out his proceedings book for the Louisville October 2d-3d convention.

"FARMER JOE" CHAPMAN is to speak on his hobby before the Cleveland Chamber of Commerce on Tuesday next.

FIRST NATIONAL, Grand Rapids, Wis., expects to increase capital to \$100,000 and surplus to \$50,000 at the January 14th meeting of the board.

"BANKING REFORM" says that its title line is now a democratic duty. Formerly it was a republican duty. Truly currency and banking isn't a party matter. Everybody get busy. CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

prominence to which it is entitled among the banks of the country.

PRESIDENT MOSER was over at Dayton, Ohio, last week and made a warm address upon the plans and purposes of the organization. He explained that twentieth century methods demand twentieth century thought and preparation. The address was well received by the members of the chapter.

ONE of the ablest special committees ever appointed was that named by the New York Clearing House to investigate and report on the subject of exchange charges. The membership of the committee embraced such men as James G. Cannon, Walter E. Frew, and Joseph T. Talbert. The committee reported practically that there is no present profit on check collections in New York City.

THE banks collected in fees considerably over two million dollars in 1911 which, according to the committee report, was offset by exchange cost and by a "proportionate share of postage, rent, stationery and salaries," together with a charge of a quarter of a million for cases where immediate credit is given on foreign checks.

OUT of town bankers will not readily concede that such items as rent and salaries should be included in this offset. Many of the charges included in a proportionate way are considered by those holding opposite views to the New York Clearing House, as fixed charges.

THE average daily collection of cash items in New York City reaches nearly seventy millions and the average time of clearing from Philadelphia is put down as 2.514 days, while the average time for collecting New York City proper is 3.885 days, taking nearly fifty per cent longer to collect New York City items proper than Philadelphia items. The time for collecting items from Chicago is averaged at 4.739 days, while the time for Greater New York, meaning New York City outside of the old district, is given at 4.053 days. Outsiders naturally will feel that the average time on the New York City and Greater New York items ought to be very much less than an average of four days. To the uninitiated, it would not seem that it ought to take a longer time to collect New York City items than to collect Philadelphia items, and that if Chicago can remit promptly in a fraction over four days, New York City proper ought to pay up in less than an average of four days.

THE committee has recommended that par facilities with certain restrictions be extended to Massachusetts, Rhode Island, Connecticut, New Jersey and New York state, the principal condition being that banks in these states shall remit at par in New York funds the same day they receive their checks. The report will go a long way to clear up the question of justification for the present rate of exchange charges in the metropolis.

WE learn from Secretary Hoopes of the Texas Bankers Association that the cotton crop of the Lone Star state this year will exceed four hundred millions. Notwithstanding the fact that this is the crop moving season, Mr. Hoopes reports that Texas banks are in funds for the purpose of buying commercial paper. When a big state like Texas is prosperous it means something.

CLOSE observation would indicate that the big Shawmut National in Boston has held all of the Eliot National business which it acquired by consolidation. To be exact, 91½ per cent of all accounts were transferred intact. Those not transferred were mainly small

and unimportant. This speaks well for the standing of the Shawmut National with the general banking public in Boston.

PPRIVATE BANKER KIRBY testified in Judge Landis' court that he had \$600 when he started his bank three years ago, and that at present he has nothing for the depositors who entrusted something like \$60,000 to the doctor's fake institution. Joseph F. Triska, who loaned Kirby \$10,000 on a "check" as a private banker, has sought better company by incorporating as the Southwest Merchants State Bank with a capital of \$200,000. Triska decided in his own mind that supervised banking is a little bit safer to the man on the inside as well as to the man on the outside of the counter.

VICE-PRESIDENT C. B. MUNDAY has filed his list of stockholders for the new LaSalle Street Trust and Savings Bank of this city, which is a conversion from the LaSalle Street National. This institution has purchased a building of its own on LaSalle Street.

PRESIDENT L. E. STEVENS of the Century Trust and Savings at Des Moines has been elected president of the Commercial Club of that city. Mr. Stevens first built up the Century Bank to the place where he wanted it, and then started in to do what he could for the city of Des Moines. Some of his ideas he took with him from good old Ottumwa.

RICHARD TASKER FORBES, JR., selected a very proper location in which to be born. The city of St. Joseph, Missouri, is reported to have five candy factories and to be the largest producer of strictly high grade product in the United States.

DOWN in Connellsville, Pa., which is in the heart of the coke region, the First National, on a capital of first fifty and then seventy-five thousand dollars, has paid one million dollars to its stockholders. The situation seemed to justify an increase of capital responsibility from seventy-five to two hundred thousand dollars, which will be done December 19th.

BANKERS are being spoken of for many new positions under the incoming president. Illinois is plugging for Irving Shuman for comptroller of the currency, while out West they are asking to have Henry W. Yates, Sr., made secretary of the treasury. Way up in the Northwest they are betting that Joseph Chapman will be made secretary of agriculture.

PRESIDENT JOHN H. JOHNSON of the Peninsular State Bank at Detroit has purchased sites for two new buildings in which to establish branches. Johnson is about the most active element in Detroit financial circles. Just at present he is packing his trunk for an extended vacation.

BALTIMORE, like New York, has been looking into the matter of exchange charges. The clearing house practically has decided "to abolish the exchange rule" in hope that all of the trust companies in that city will come into the clearing house where they belong.

BALTIMORE is to have the big annual convention of the American Institute of Banking next year and plans are being laid already for giving the boys the best entertainment they yet have had. Those who were fortunate enough to attend the American Bankers convention in Baltimore can recommend the Baltimore brand of hospitality as something a little beyond expectation at all times.

COMMERCIAL BANK & TRUST COMPANY of Louisville has altered its charter so as to reduce the number of its directors from twenty to nine. The bank found that a

body of twenty men rendered it very difficult to secure a quorum. Banks in Chicago and other cities are contemplating similar reductions. This sentiment is stimulated somewhat by the restrictions which are being placed on directors who do not direct. The inactive fellows who simply are a part to give it "class" or to gratify their business vanity are moving to get out from under. The general movement seems to be for larger banks with a smaller number of men on the directorate.

G. F. EMERY was our Santa Claus in the matter of tickets for the fat stock show. It was the best ever.

GET Scribner's short catalog of "Holiday Books" if you want to make it easy for yourself this Christmas.

KIRBY had six hundred dollars when he started the "bank" (pronounced b-u-n-k) and when he stopped it his depositors had sixty thousand dollars—in red ink.

BANKERS of Jacksonville, Ill., are interested along with others, in the raising of an endowment fund of \$180,000 for the Illinois Woman's College of that city, \$60,000 of which is expected from Jacksonville and Morgan county. E. E. Crabtree, vice-president of F. G. Farrell & Co., bankers, is general chairman of the endowment committee; H. J. Rodgers and Miller Weir, vice-presidents of the Jacksonville National, are on one of the soliciting groups; M. F. Dunlap and Ralph I. Dunlap of Dunlap, Russel & Co., and C. A. Johnson of the Elliott State are members of soliciting committees.

THE Illinois Woman's College is an old college and the largest school exclusively for women between the Allegheny and Rocky Mountains. Under the administration of Jos. R. Harker, the school has grown in twenty years from a membership of 40 to over 400 and the attendance is limited only by the accommodations. There are young women attending this school from thirty-five states of the Union.

E. M. WING, La Crosse, Wis., says, "I think everybody enjoys your 'Mainly About Banks and Bankers.' I know I do." Thanks for "them kind words."

MONDAY, December 2d, was the fiftieth wedding anniversary of Mr. and Mrs. J. J. Bergen of Virginia, Ill., and their friends remembered them with flowers, cards and best wishes for their future health and prosperity. Mr. Bergen is cashier of the Continental National Bank.

MILLER WEIR, cashier of the Jacksonville, (Ill.) National, was in Chicago this week on his return from New York, where he went on business for the bank.

ELLIOTT STATE BANK at Jacksonville, Ill., is contemplating extensive improvements in its office room. A mezzanine floor is to be built and an addition in the shape of an "L" to another street is to be added, making large space for directors' and customers' rooms. The Elliott has a beautiful room, but these improvements will be a great help.

D. C. WILLS, new member of the Big Council from Pennsylvania, would be a good man to look after the Wayne interests should that popular Philadelphian again shy his castor into the chairmanship ring.

THE new constitution may change things, but under the present document Chairman Davis cannot step into the vice-presidency.

CHAPMAN'S friends are thinking of putting him up for the vice-presidency at Boston as the direct step to the presidency. What shall be the fate of the ex-chairmen of council is yet to be revealed.

(Continued on page 30)



ESTABLISHED 1857

CAPITAL AND SURPLUS
\$9,000,000

ALL BRANCHES OF BANKING

BOARD OF DIRECTORS

FRANK H. ARMSTRONG, Vice-President
Reid, Murdoch & Company
ENOS M. BARTON, Chairman Board of
Directors Western Electric Company
CLARENCE A. BURLEY, Attorney and
Capitalist
HENRY P. CROWELL, President Quaker
Oats Company
WILLIAM A. GARDNER, President Chi-
cago & Northwestern Railway Company
ELBERT H. GARY, Chairman Board of
Directors United States Steel Corporation
EDMUND D. HULBERT, Vice-President
CHAUNCEY KEEP, Trustee Marshall
Field Estate

THIES J. LEFENS, Capitalist
CYRUS H. McCORMICK, President Inter-
national Harvester Company
SEYMOUR MORRIS, Trustee L. Z. Leiter
Estate
JOHN S. RUNNELLS, President Pullman
Company
EDWARD L. RYERSON, Chairman Board
of Directors Joseph T. Ryerson & Son
JOHN G. SHEDD, President Marshall
Field & Company
ORSON SMITH, President
ALBERT A. SPRAGUE, II., Vice-President
Sprague, Warner & Company
MOSES J. WENTWORTH, Capitalist

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Mer-
chants Bridge) 6:02 p. m. New Indestructible Steel Cars
of Handsome Interior Finish. Every comfort and con-
venience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m.
An up-to-date train in every particular, with an early
evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped
throughout, with a late evening departure from Chicago. Stops made in both directions at South
Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars,
Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National
R. J. CARMICHAEL, D. P. A. Bank Building
Phone Central 6270



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - \$31,041,046.16

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

The Audit Company
of Illinois

2002-2003 Harris Trust Building

CHICAGO

Specialists in

Auditing and Systematizing
Public Service Corporations

C. W. KNISELY, C. P. A.

President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Asst. Cashier
W. K. HARDT, Asst. Cashier
C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - 43,380,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

DECEMBER 14, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

RALPH VAN VECHTEN RETURNS FROM IOWA

Ralph Van Vechten, vice-president of the Continental and Commercial National, returned this week from a trip to Iowa. There is considerable cattle feeding in that state and the farmers at present are borrowing money with which to purchase feed. Owing to the depreciation in the value of farm products these are not being marketed by the farmers as rapidly as usual. In view of the fact, however, that the railroads have about all the traffic they can handle, this probably is a good thing.

BANKERS ELECTED OFFICERS OF BUSINESS MEN'S ASSOCIATION

Nelson N. Lampert, vice-president of the Fort Dearborn National, and John E. Shea, cashier of the Fort Dearborn Trust and Savings, respectively were elected president and treasurer of the Clark Street Business Men's Association organized this week at the Hotel Sherman. The purpose of the organization is to secure better lighting and business publicity for the street.

SEES NO RADICAL REDUCTION IN TARIFF

E. A. Hamill, president of the Corn Exchange National of Chicago, said: "In their tariff legislation I venture to say that Mr. Wilson and his party will terminate not far from the point where their predecessors in Washington terminated. The incoming régime will no doubt caustically pay their respects to that part of the Aldrich-Payne tariff bill especially favored by Mr. Aldrich; but otherwise I do not look for a radical revision. The very monetary requirements of the government preclude radicalism. The prosperity of the farmer and the well-being of the laborer must be and will be considered in tariff legislation."

W. T. ABBOTT ADDRESSES HAMILTON CLUB

W. T. Abbott, vice-president of the Central Trust Company of Illinois, delivered an address on the regulation of private banks this week before the members of the Hamilton Club. He sharply criticised the improper use of the word "bank," and said that incorporation is not necessary if banks conducted by individuals are compelled to offer the same safeguards as the incorporated institutions.

INDIANA SOCIETY MEETS

The eighth annual banquet of the members of the Indiana Society of Chicago was held in the main banquet hall of the LaSalle Hotel on Saturday evening, December 7th, and brought together a large number of Chicago bankers who hail from the Hoosier state. There also were in attendance a number of Indiana bankers, business men and professional men, as well as the literary crowd: Wilbur D. Nesbit of the Chicago Evening Post presided as president, and modestly introduced himself as toastmaster. The principal addresses were made by ex-Vice-president
(Continued on page 19)

Past and Present Secretary of Minnesota Bankers



CHARLES R. FROST



GEORGE H. RICHARDS

Mr. Frost, the former secretary of the Minnesota association, recently resigned in order to accept a position with the National Surety Company with offices in New York. His work as secretary was of the highest order of excellence. He will serve the National Surety in an official capacity.

Mr. Richards, the new incumbent, formerly was assistant treasurer of the Farmers and Mechanics Savings of Minneapolis. He has been identified prominently with A. I. B. work. Several years ago he went into the automobile manufacturing business as one of the Veerace Motor Car Company, with offices at Anoka, a suburb of Minneapolis.

I. B. A. AGRICULTURAL COMMITTEE TO MEET

B. F. Harris, vice-president of the First National of Champaign, chairman of the agricultural committee of the Illinois Bankers Association, has called a meeting of the committee to be held at association quarters in the Rookery, Chicago, Wednesday morning, December 18th at ten o'clock, for the purpose of listening to suggestions from members of the committee as to the bill to be presented to the Illinois legislature when it convenes in January. The committee, in addition to Mr. Harris, consists of Irving Shuman, cashier of the First National of Sullivan; J. S. Gridley, cashier of the First National, Libertyville; W. G. Edens, assistant secretary of the Central Trust Company of Illinois, Chicago; R. R. Ward, vice-president of the Benton State Bank.

NO CHANGE IN MONETARY SITUATION

James B. Forgan, president of the First National, says there has been no decided change in the local money situation. There has been a slight return of money from the interior.

BANKERS HERE FOR SQUADRON MEETING

Among the out-of-town bankers who will be in attendance at the meetings of The Flying Squadron of America, an account of which appears elsewhere in this issue, are G. H. Mueller, vice-president of the Fletcher-American National, Indianapolis; E. L. Taylor, assistant cashier of Boatmens Bank, St. Louis; Haynes McFadden, publisher of the "Southern Banker," Atlanta, secretary of the Georgia Bankers Association; R. E. Bolling, assistant cashier of the First National, Dallas, Texas; Sol. Wexler, vice-president of the Whitney-Central National, New Orleans, La.

J. Fletcher Farrell, vice-president of the Fort Dearborn National and F. A. Crandall, vice-president of the National City banks have been active in looking after local arrangements.

AURORA BOND FIRM INCORPORATES

Howard, Simmons & Co., of Aurora, Ill., have incorporated to deal in bonds, securities, etc. The new firm is capitalized at \$25,000. The incorporators are Frederick Julian, Robert Oehmig and F. P. Page.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

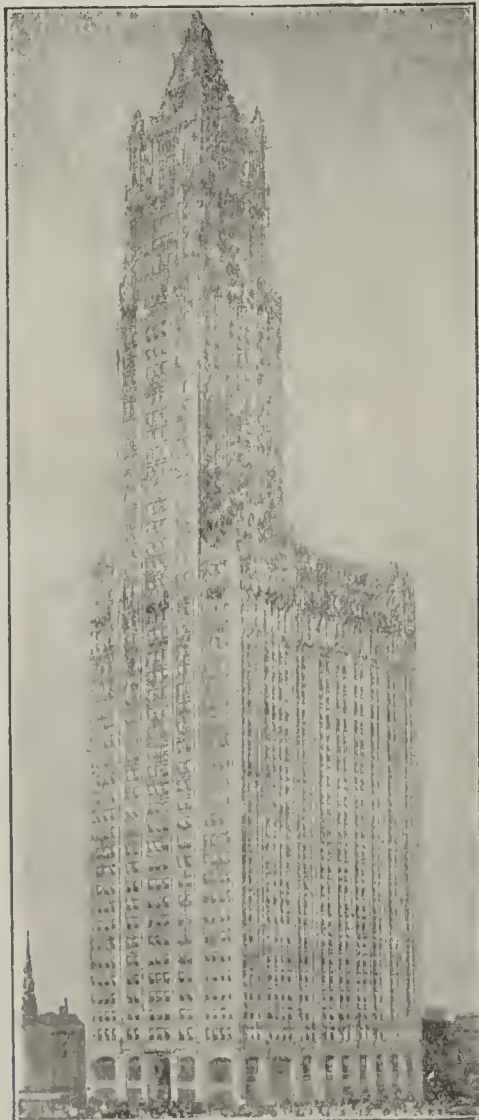
GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR 1913 ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital - \$4,000,000
Surplus - 3,000,000

OFFICERS

JAMES E. NICHOLS	- - -	Vice-President
WILLIS G. NASH	- - -	Vice-President
BENJ. F. WERNER	- - -	Vice-President
CHARLES H. IMHOFF	- - -	Vice-President
EMIL KLEIN	- - -	Vice-President

ROLLIN P. GRANT	- - -	President
HARRY E. WARD	- - -	Cashier
D. H. G. PENNY	- - -	Assistant Cashier
RICHARD J. FAUST, Jr.	- - -	Assistant Cashier
J. FRANKLYN BOUKER	- - -	Assistant Cashier
SAMUEL REDFERN	- - -	Assistant Cashier



MARINE NATIONAL BANK, BUFFALO, N.Y.

The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

CAPITAL AND SURPLUS EARNINGS, \$3,500,000 **TOTAL RESOURCES, OVER \$36,000,000**
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, MERCANTILE FIRMS AND INDIVIDUALS INVITED

Mainly About Banks and Bankers

A FAT roll of bills, containing \$200, was dropped last week on the floor of the First National Bank. The officials returned the money to its owner after an honest finder had turned it in to one of the assistant cashiers. The bank refused to give either the name of the finder or of the owner.

NOW, if this had happened in the Kirby bank it doubtless would have gone to the "wire tappers"—or—to the insanity experts?

FOURTH NATIONAL, Philadelphia, has won distinction by devising a new customers' statement sheet which shows his balance as quickly as a watch will show the time.

THE new style sheet is a six-column affair in two sections. The statement part has three columns for listing checks, and one for deposits. The "balance" part has one column for "previous balance," and one column for "current balance."

ALL of the work is done on a big Burroughs, and is done quickly, and the company will furnish particulars from the Detroit office.

BANKERS TRUST, New York, is another example of "it pays to advertise." The board has declared a quarterly dividend of 6 per cent and an extra of 2 per cent. Stockholders of record December 27th will get the dividend which is payable December 31st.

THERE was a new brand of cabbages at the Land Show called the "Bull Moose." The heads were remarkably large but—cabbages just the same.

IT reads as if the supreme court meant absolute divorce for the Southern Pacific—no separate maintenance nor alimony, nor any other subterfuge.

LEWIS E. PIERSON, member of Austin, Nichols & Co., is said to have suggested that the present organization will be given up and new corporation, capitalized at \$4,000,000, to be known as Austin-Nichols Corporation, will be formed. Invitation to join the corporation has been extended to eight large wholesale grocery houses and four will probably accept, giving up warehouses in Manhattan for new distributing center in Brooklyn. Mr. Pierson, who recently resigned as head of Irving National Bank, is to be president.

MORE power to yez, Lewis!

AFTER this year if you don't do your banking with the Fort Dearborn National, you can at least stop at the Fort Dearborn hotel when in Chicago.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

GOOD INVESTMENT OPPORTUNITY

Wisconsin business man has opening for man with some money to invest. Also has valuable securities such as farm mortgages, which he offers at a discount. Address,

B-6, Care of CHICAGO BANKER

407 MONADNOCK BLOCK

CHICAGO

PENSIONS for ex-presidents didn't prove to be popular. Too many don't like him.

FIFTY thousand motor trucks and delivery wagons is believed to be a conservative estimate of the number now in use in the United States. Carefully compiled reports made at the beginning of the year showed that there were then, in round figures, close to 30,000, and state and city registrations of motor vehicles compared with those of a year before proved that the number of these vehicles is doubling annually.

WE wrote to McLane Tilton, secretary for the Alabama Bankers Association, to know why he was so silent when we were just dying to hear from him and to get some help in the dull season toward keeping up the interest in our pet department. Some of what he wrote read:

"YOUR letter of the 4th received. Bless your heart, if I had known you were getting brain fag collecting personal gossip about bankers for that newsy and entertaining department in THE CHICAGO BANKER, I would have relieved you long ago, for, being a newspaper man myself, the assumption of your bur-

den would have been easy and a pleasure. You should have sung out sooner.

"I always carry in stock a large assortment of monumental lies and unvarnished truth pertaining to the brethren, the former invariably applying to the brethren and the latter strictly to my own extraordinary and extortionate activities. A sample of the same is herewith enclosed for use or the blue pencil at your discretion."

"A RECENT test case involving a section of Alabama's banking law was decided by the chancery court in favor of A. E. Walker, superintendent of bank. The points raised were that Mr. Walker, as superintendent, had no authority to liquidate banks through his own officers and outside of regular court channels and, if said authority was granted by the act, the section was void for constitutional reasons. Neither objection was sustained by the chancellor, and thus another victory was won by the friends of sound banking in Alabama. The new law has worked splendidly and requires very little revision to be a perfect banking bill. These changes will be made at the next session of the legislature, unless all signs fail, for Alabama is firmly set in the opinion that the most rigid supervision and regulation is good both for the banks and business interests generally.

"THE Alabama Bankers Association will celebrate its coming of age by holding its 21st anniversary convention at Dothan, Ala., May 8, 9, and 10, 1913. Dothan is one of the smaller live towns of the state and will bend every effort to make the meeting justify the arrangement agreed upon last year, when the plan of confining meetings to Montgomery, Birmingham and Mobile was abandoned. If successful, next year a number of towns will aspire to the honor of entertaining the association.

"COMMITTEES have already been appointed and the program and entertainment features are well under way. The usual silver souvenirs have been ordered for the occasion and this year the ladies will be remembered, as well as delegates and the members of the Flying Squadron. Several states have larger memberships and income than Alabama, but it is to be doubted if any have accomplished more in the way of practical work. Alabama's bank law has been called the best in America, bank stocks are taxed like other forms of property.

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

CONVENIENT
EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing.

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. S. BISHOP, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
J. F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenier
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



A BANK NEEDS

JUST SO MANY CORRESPONDENTS AS WILL CARE
FOR ALL PARTS OF ITS BUSINESS PROPERLY.
IF YOUR BUSINESS INCLUDES ANY TRANSACTIONS
AT THE CHICAGO LIVE STOCK MARKET

YOU NEED

AN ACCOUNT WITH

THE LIVE STOCK Exchange **BANK**
OF CHICAGO National

James B. Forgan on Clearing House Examinations

Chicago was the pioneer in clearing house bank examinations.

They were inaugurated there in 1906 after the failure of a national bank and two state banks. These institutions were under the direct management of one man who was president of the three. The condition of their affairs when disclosed surprised and appalled the other Chicago bankers. The liabilities of the private ventures of the president had gradually accumulated in the three banks until they had absorbed the entire capital and surplus of all three, amounting to \$3,500,000, and 44 per cent of their aggregate deposits of \$27,000,000, one-third of which was public funds.

The condition in the national bank had developed through a period of years during which the comptroller of the currency, through the semi-annual reports of his examiners, had been kept fully advised of what was going on. Among the assets were found nineteen fictitious loans for \$90,000 each, represented by so-called memorandum notes. Each memorandum note purported to be secured by \$100,000 of second mortgage bonds of the Wisconsin and Michigan Railway Company. This road was controlled by the bank president, and the bonds proved worthless. The first mortgage bonds of the same road, \$952,000 of which (being almost the entire issue) were also among the assets of the banks, were finally disposed of at about twenty-three cents on the dollar. These memorandum notes did not, on the face of them, even pretend to be the obligations of bona fide borrowers. The ostensible signatures on them, although in different names, were all in the handwriting of the clerk who filled them out and who wrote plainly in red ink across the face of each the words "Memorandum Note." They could not deceive anyone who saw them and they did not deceive the national bank examiners who reported to the comptroller the facts in connection with them.

Another of the irregularities discovered was that so-called certificates signed by the treasurer of one of the president's railroads, purporting to call for \$2,000,000 of its bonds when issued, had been treated and reported as bonds on hand. All the bonds permissible under the conditions of the mortgage securing them had previously been issued and sold and there could be no further issue of them until a contemplated extension of the road was completed. Some grading for this extension had been done but the work was abandoned and the bonds called for by the so-called certificates were never issued.

Up to the time of their failure all these banks paid substantial dividends to their shareholders, the national bank 12 per cent regular and 3 per cent extra and the state banks 10 per cent and 8 per cent respectively, besides which

Chicago's veteran financier tells members of Detroit Bankers Club why the system was adopted and how it works. Predicts that never again can such conditions arise in Chicago

they showed substantial growth in their surpluses. The market quotation for their stocks was \$380, \$350 and \$240 per share and there were sales at these prices.

Although cognizant of these irregularities and of the accumulating obligations in the bank of the president's private enterprises, the comptroller apparently could not, or at all events did not, take measures to stop them by other means than those of expostulation and reproof until matters became so bad that they simply could not be permitted to go further.

When at last drastic measures were decided upon the comptroller and the state auditor, acting together on a Saturday afternoon after the vaults of the three banks had been closed with time locks set for Monday morning, notified our clearing house committee that unless provision were made for payment in full of the deposits none of the banks would be permitted to open for business on Monday morning and they would be put in the hands of receivers.

Business conditions were strained and the time was therefore particularly unfavorable for permitting the failure of three prominent banks. The effects of such a calamity it was feared would have extended far beyond the confines of Chicago.

With but a superficial statement from the president of the condition of his various ventures, some of which were in course of construction, and with only a vague knowledge of the realizable value of their obligations, the clearing house committee hurriedly made a tentative estimate of the realizable value of the assets of the three banks and of the deficiency in them to meet their deposit liabilities. These estimates have since proved remarkably near the final outcome. To prevent a panic the remaining Chicago banks, facing an inevitable heavy loss, assumed the deposit liabilities of the three banks and took over their assets under a limited guaranty of the directors. This action, besides providing for payment of the depositors in full, relieved the bondsmen of their responsibility for the \$8,200,000 of public funds in the bank and the shareholders of their double liability on their stock. These three classes of vitally interested individuals will probably never fully appreciate what the action of the associated banks meant for them. Subsequent developments have shown that in liquidation the assets of the three banks plus the double liability of their shareholders, had

it been collected, would have been insufficient to pay their deposit liabilities.

The situation was thus protected from a general disturbance of public confidence, but it was done at the cost of a very heavy loss, foreseen at the time and since realized by the participating banks.

The statements of the national bank made five times a year to the comptroller's department, copies of which were rendered to the clearing house committee and on which it had implicitly relied, failed to disclose these conditions.

I have given you these details of this unfortunate affair because they show so clearly the limitations of governmental supervision of banks under our national banking law as it has been interpreted by the courts and by the legal advisers of the comptroller's department.

Let me draw your attention to a few of the legal restrictions which limit the comptroller's power to act in such cases.

1. Under the national bank act no obligation due a bank is considered bad until interest is past due six months and not then if it is secured or in process of collection.

2. The comptroller may appoint a receiver when he concludes that a bank is insolvent. But here again he has been hampered by the legal definition of insolvency, which is "inability to pay current debts as they mature."

3. The making of a national bank report to the comptroller, so long as it is in accordance with the bank's books, however erroneous it may be as to actual values, which alone disclose a bank's true condition, cannot be construed as a misdemeanor.

These legal restrictions are presumably the reason why some banks have been permitted to persistently publish to the public the figures of their statements as rendered to the comptroller of the currency after they are known to have met with heavy losses and have failed to provide for them by charging them to profit and loss. That this has been permitted in some cases is notorious. The case of the Chicago National Bank and a recent one in a large central city are conspicuous examples because of their size. Undoubtedly as a rule the published statements of the banks are reliable, but there are a few exceptions, with which, in view of the legal restrictions which govern his action, the comptroller finds himself unable to cope. These exceptions, however, frequently result in failures and catastrophes. The comptroller cannot legally take drastic measures with such banks until they perform some act of insolvency, or when he believes their capitals to be impaired, which being a matter of judgment in regard to the realizable value of their assets, is frequently difficult to prove.

Clearing houses as a rule are voluntary associations established primarily for the con-

(Continued on page 18)

**Total
Resources
\$16,000,000**

**CITIZENS NATIONAL BANK
OF BALTIMORE**

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00

SWEDISH-AMERICAN STATE BANK

Chicago will add a new name to her list of banks with the organization of the Swedish-American State, which will open for business at North Clark Street and Balmoral Avenue as soon as its quarters can be completed. It will be capitalized at \$200,000 and have a paid-in surplus of \$20,000. Among those interested in the new institution are several men prominent in Chicago's financial affairs, viz.: A. J. Earling, E. F. Mack, Charles T. Boynton, Alexander H. Revell, S. M. Felton, T. W. Robinson, H. A. Langhorst, A. Uhrlaub, Walter H. Wilson, Joseph E. Otis, W. O. Johnson, R. Floyd Clinch, William C. Boyden, Charles G. Dawes, W. Adolphus, Wyllys W. Baird, W. C. Arnold, John E. Kavanagh, W. J. Klingenberg, Oscar A. Kropf, Edwin L. Read.

The directorate of the bank will consist of the following: W. Adolphus, W. G. Arnold, J. E. Kavanagh, W. J. Klingenberg, Oscar A. Kropf, E. F. Mack, E. Turnbloom.

Following are the officers: W. J. Klingenberg, president; W. G. Arnold, vice-president; E. F. Turnbloom, cashier.

CHICAGO BANK PRESIDENT'S SON MARRIED

Edward Tilden II, son of William A. Tilden, president of the Fort Dearborn National of this city, was married this week to Miss Frances Garnett, daughter of Mr. and Mrs. William Garnett, 4450 Vincennes Avenue. After a wedding trip the young couple will reside at 4460 Vincennes Avenue. Mr. Tilden is associated with Merrill, Cox & Co., commercial paper brokers of this city.

LIBERTY TRUST OPENS

Liberty Trust and Savings Bank, capital \$250,000, opened on Thursday at Kedzie Avenue and Twelfth Street. Officers and directors are: President, Charles Hollenbach; vice-president and cashier, J. Louis Kohn; assistant cashier, E. F. Hanrahan; directors, Edward Morris, J. A. Spoor, A. G. Leonard, B. S. Mayer, C. M. MacFarlane, A. J. Harris, L. H. Heymann, Charles Hollenbach and J. L. Kohn.

D. H. McKEE TO GO TO DES MOINES

D. H. McKee, for the past five years vice-president of the German Savings at Davenport, and one of the best known financiers in the state, will remove to Des Moines early in the year to become manager for the Iowa Loan and Trust Company of that city. The latter concern is one of the wealthiest in Iowa. It has capital stock of \$500,000 and surplus and undivided profits of \$750,000. Mr. McKee will be associated with Simon Casady and G. B. Hippee, and the three of them own a large block of the stock. Mr. McKee started the bank at Mediapolis in 1896 and soon showed his aptitude for the banking business. When he removed to Davenport five years ago he was president of this Mediapolis Bank and two other country banks be-

sides. Des Moines bankers are anticipating his residence in Des Moines with pleasure.

Mr. McKee is a member of the executive council of the A. B. A. from Iowa.

CHICAGO'S VISITORS

Among the out-of-town bankers seen in the financial district this week were William Butterworth, president of the People's Savings Bank and Trust Company, Moline, Ill.; W. A. Armstrong, cashier of the Peoples Trust and Savings, Galesburg, Ill.; George W. Boyden, president of the Farmers State Bank, Sheffield, Ill.; Charles Ireland of the Bank of Washburn, Ill.; E. J. Curtin, president Citizens Trust and Savings, Decorah, Ia. Mr. Curtin is an ex-president of the Iowa Bankers Association.

N. C. Gindorff, cashier of the German Trust and Savings of Dubuque, Ia., visited Chicago Wednesday. He reported that everything is moving along satisfactorily in a business and banking way in his locality. C. G. Riehey, president, and C. R. Pendarvis, cashier, of the Media (Ill.) State Bank, were Chicago callers this week. Mr. Pendarvis brought in three carloads of Henderson county cattle. Both of these gentlemen are interested in general farming and the road improvement campaign that is uppermost in the minds of most progressive Illinois bankers at the present time. They intimated that Henderson county shortly will be in line with a practical farm demonstrator. As Henderson county does not possess any other character of roads than earth roads, they express the belief that we must get away from the present manner of handling the road question before any headway can be made in the matter of road development. As the county is purely an agricultural county,

the farmers of this locality frequently suffer serious business inconvenience from inability to get their product to the railroads on account of the poor roads. James Ringold, assistant cashier of the United States National of Denver, Colo., stopped off in Chicago on Thursday and remained for the meeting of the bank transit men to be held at the Hotel LaSalle Saturday, December 14th. Asher R. Cox, president of the Orchard City Bank of Xenia, Ill., passed through the city on Wednesday.

Edward Guthrie, formerly cashier of the Mattoon (Ill.) State Bank, and now mayor of Mattoon, was a Chicago visitor this week.

AGRICULTURAL CREDIT BANKS

Advices received from Washington are to the effect that Ambassador Myron T. Herrick, who is there to agitate the establishment of agricultural credit banks, and who has investigated the systems in vogue in Europe, will make public next week a letter from David Lubin, American delegate to the International Institute of Agriculture at Rome, Italy, praising President Taft's efforts to bring financial assistance to the farmers.

NEW YORK BANKER MARRIED

Chicago banking acquaintances have received announcements of the marriage of Margaret Elizabeth Taylor, sister of Greer McClellan Taylor of Dallas, Tex., to Arthur Deskins Robinson, Monday, December 9th. The young couple will be at home at the Hotel Bretton Hall, Broadway and 86th Street, New York City, after January 6th. Mr. Robinson is the well-known traveling representative of the National City Bank of New York.

CONDITION OF STATE BANKS

Figures just made public by the state auditor indicate that Chicago state banks have resources of \$604,048,993 and total capital, surplus, contingent fund and undivided profits, \$86,716,717.95, an increase of \$2,900,771.81. Total deposits, including due to banks, \$507,320,711.21; decrease, \$7,546,018.46. Total cash and due from banks, \$123,620,409.01; decrease, \$17,616,597.82.

Per cent of reserve to deposits, including due to banks, 24.36.

OLD PRIVATE BANK FAILS

The Somonauk (Ill.) Bank has closed its doors and is in the hands of a receiver. It has been in existence thirty-two years. The owners say that the bank is solvent and that when it resumes business it will be under state supervision. William H. Wright, the cashier, is in a sanitarium. It is said that although the depositors suspected something was wrong, they were kept in ignorance concerning the bank's affairs.

ST. LOUIS BANK DIRECTOR DIES

F. William Reipschlag, a director of the Franklin Bank of St. Louis, died this week.

Public Welfare

There are certain utilities that are absolutely necessary for the public welfare. Individuals require food, shelter, and clothing—municipalities require light and transportation. The former are our private necessities; the latter, our public necessities.

For this reason the companies that supply public utilities receive revenue from a dependable source, little affected during periods of industrial depressions. With the natural growth in population, the market for public utilities is also a constantly increasing one.

Send for our circular giving a selected list of public utilities securities to yield at present prices an average income of 5.75%.

Ask for Circular P-124.

Guaranty Trust Company of New York

28 Nassau Street

Capital and Surplus - \$30,000,000.00

Deposits - \$189,000,000.00



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

"FLYING SQUADRON" TO HOLD MEETINGS

"The Flying Squadron of America," an organization effected last October and composed of representatives of banks in the larger cities, will hold three meetings to-day (December 14th) at the LaSalle Hotel, at 10 A. M., 2 P. M. and 7 P. M., when a banquet will be given. Sessions during the day will be devoted to discussion of transit arrangements. At the banquet in the evening F. O. Watts, formerly of Nashville, and now vice-president of the Third National of St. Louis, will be the principal speaker.

The object of this organization is to "foster, protect and advance the banking interests generally, as well as the banks represented by the membership; to encourage integrity and good faith, just and equitable principles, and to discover and correct abuses; to prevent and adjust controversies; to disseminate information and statistics; and, in general, to promote the welfare and social intercourse of its members."

G. H. Mueller, vice-president of the Fletcher-American National of Indianapolis, is president; F. J. Woodworth, third vice-president of the Third National of Cleveland, is secretary and treasurer.

It is expected that about eighty people will be present at the dinner.

F. A. Crandall, vice president of the National City Bank, and J. Fletcher Farrell, vice-president of the Fort Dearborn National, are active on the local committee of arrangements.

Among out-of-town bankers who will attend the meetings are J. H. Ardrey, Dallas, Tex.; J. W. Staley, Detroit; James Ringgold, Denver; G. H. Mueller, Indianapolis; C. H. Moore, Kansas City; H. D. Ormsby, Louisville, Ky.; W. F. Allertson, New York; Sol Wexler, New Orleans and William M. Post, Milwaukee.

E. E. Bolling, assistant cashier of the First National of Baltimore, G. H. Mueller, vice-president of the Fletcher-American National, Indianapolis, and Haynes McFadden, publisher of the "Southern Banker," Atlanta, and secretary of the Georgia Bankers Association, were some of the advance guard who came to attend the meeting on Saturday.

GOOD TIMES IN NEBRASKA

S. H. Burnham, president of the First National of Lincoln, Neb., and his son-in-law, G. W. Holmes, secretary of the First Trust Com-

pany of that city, were Chicago callers this week. They report everything as prosperous in Nebraska, with a strong demand for money at good rates. Nebraska, like the other states of the Union, has enjoyed bumper crops this year. Mr. Burnham, in addition to being president of the First National, also is at the head of the First Savings and the First Trust of Lincoln.

CHICAGO MOTOR CLUB

The members of the Chicago Motor Club have inaugurated a series of noonday lunches under the leadership of their new president, Mr. Van Sicklen. The first meeting was held in the club rooms of the Lexington Hotel on Tuesday of this week. The entertainment committee provided a good program and there were addresses on the subject of club organization by President Van Sicklen and on good roads development by W. G. Edens.

ATTRACTIVE GREENEBAUM OFFERING

Greenebaum Sons Bank and Trust Company of this city are offering to investors \$1,500,000 five and one-half per cent bonds of the new Lytton Building being erected by the Hub at the northeast corner of State Street and Jackson Boulevard. The bonds are in denominations of \$500 and \$1,000, dated January 1st, 1913, maturing 3 to 17 years, interest payable

semi-annually, January and July. It is estimated that the income from the building exclusive of that portion which will be occupied by the Hub will amount to three and one-half millions, or considerably more than double the amount of the total bond issue. The bonds are the first obligation of the Hub, which is recognized as the largest men's and boys' clothing establishment in the United States.

BANKERS ELECTED OFFICERS OF ASSOCIATION OF COMMERCE

At the election of officers and directors of the Chicago Association of Commerce held this week, J. J. Arnold of the First National Bank was elected vice-president of the foreign trade division and Joseph R. Noel of the Northwest State Bank was chosen as treasurer.

ELECTED VICE-PRESIDENT OF TERRE HAUTE BANK

Harry A. Schlottzhauer has been elected a vice-president of the First National of Terre Haute, Ind. Mr. Schlottzhauer formerly was cashier of the American National and Fletcher-American National Banks of Indianapolis, and since December, 1911, has been a national bank examiner.

GOVERNMENT NOT LIKELY TO DEPOSIT FUNDS

Chicago bankers are of the opinion that there is not much likelihood of the government depositing additional funds in the national depository banks of the country. Secretary MacVeagh has made inquiries at the reserve centers in regard to the necessity of such a course and his investigation has convinced him that there is no immediate need for such action. Now that the demand for funds with which to finance the crop movement has passed, it is believed that it will not be long before money is returning to the centers in liberal volume.

CHICAGO BANKER ADDRESSES REALTY MEN

M. E. Greenebaum, president of Greenebaum Sons Bank and Trust Company, addressed the members of the Co-operative Realty Club on Friday in the college room of the LaSalle Hotel, his subject being "Real Estate Mortgages and Investments."

J. HEREERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

free of charge upon request.

Members:

NEW YORK STOCK EXCHANGE

CHICAGO BOARD OF TRADE

CHICAGO STOCK EXCHANGE

THE FARMERS' AND MECHANICS' NATIONAL BANK OF PHILADELPHIA, PA. 427 CHESTNUT STREET

Capital - - - \$2,000,000.00
 Surplus and Profits 1,475,000.00
 Deposits - - - 15,397,000.00
 ORGANIZED JANUARY 17, 1807
 Dividends Paid - \$13,337,000.00

OFFICERS

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 Henry B. Bartow, Cashier G. H. Millett, Asst. Cashier
 Edw. Stotesbury Lewis, Asst. Cashier John Schlagle, Asst. Cashier
 Oscar E. Weiss, Asst. Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
 PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000
 Surplus and Profits (earned) 2,270,000
 Deposits, over - - - 25,500,000

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 HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
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Touches upon pro-
 posed banking and
 financial legislation
 by congress

WASHINGTON LETTER

By R. A. ALBERTSEN

Relates to administra-
 tive and department
 matters interesting to
 our readers

Washington, D. C., Dec. 11th.—Congressman Nicholas Longworth, defeated candidate for re-election from the First Ohio Congressional District at the recent election and son-in-law of Colonel Roosevelt, will not be compelled to walk around until the bottom of his trousers become frayed, looking for a job. Rippy, manager of the Longworth estate, states that Congressman Longworth will become one of the vice-presidents of the Central Trust Company, one of the very conservative banking institutions of Cincinnati.

Panama Tolls a Closed Incident

Prompt action with reference to the British protest against the Panama toll bill was taken Tuesday by the executive branch of the United States government.

So far as the legislative branch is concerned, where the final action of the government must be framed, there was scarcely a ripple of interest in Great Britain's demand. The senate, final arbiter for this country in treaty matters, practically regards the Panama tolls question as a closed incident.

Concerning Vocational Education

The highest official of the United States Bureau of Education has declared his opposition to the main provisions of the so-called Cooley vocational school bill, which seeks to create two separate school systems in Illinois.

Commissioner Philander P. Claxton said for the general intentions of the measure:

"I know if I were in Tennessee, my home state, working for vocational schools, I would urge one combined system. Years ago I did champion a bill looking to the establishment

of vocational schools in the state, and it was such a bill. I am firm in the opinion that a combined system is superior to the method which is indicated in the Cooley bill."

Commissioner Claxton's position is exactly that of the many school authorities of Chicago who advocate vocational education but insist that it shall be a part of the existing school system. The various bankers, committees in the states will be interested.

New Federal Judges for Chicago

Chicago and all the west will be glad to know that President Taft virtually has decided to promote Judge Carpenter to the Circuit Court of Appeals and to nominate Probate Judge Charles Cutting as the successor of Mr. Carpenter on the district bench in Chicago. He indicates his intention to send the appointments to the senate without delay. There are half a dozen other candidates but the two named would be first choice by ninety per cent of the people interested.

To Curb Underselling by Trusts

Trust methods of underselling independent competitors until they are driven out of business or until they are ready to be absorbed by the victors are forbidden by a bill introduced to-day by Senator Clapp of Minnesota.

The bill follows the South Dakota law, the constitutionality of which was upheld by the Supreme Court of the United States as recently as a week ago. The bill forbids any one engaged in the production, manufacture or distribution of a commodity, selling it cheaper in one section than in another in order to destroy or prevent competition. The only difference in price may be that caused by the variation in the cost of transportation.

Want Bright New Money

The Christmas demand for new quarters and halves is greater this year than ever before. The entire supply of new fractional coin at the Philadelphia mint has been exhausted and the treasury department is now drawing upon the Denver mint to satisfy the craving of the East for glistening silver. During the past few days the department has paid out \$2,000,000 in quarters and \$1,600,000 in halves and has been obliged to limit the big banks to a small proportion of their requests.

England Doesn't Like Sherman Law

The warning in Sir Edward Grey's Panama note that the British government will protest further in case an attempt is made to enforce that section of the Panama act which prohibits the use of the canal by railroad-owned or trust-controlled ships may, it is thought here, indicate a formidable European opposition to any attempt by this government to extend the operations of the Sherman anti-trust act beyond the confines of the United States. It is known that the British embassy is closely watching the developments in the pending suit against the trans-Atlantic steam-

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TRUST
COMPANY**

New York City

Capital - \$2,000,000
 Surplus - 7,000,000

Fort Dearborn National Bank

CHICAGO, ILLINOIS

United States Depository



Capital - - \$2,000,000
 Surplus and Profits, 700,000
 Deposits - - 31,000,000

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 NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
 HENRY R. KENT, Cashier
 GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
 THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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ship lines, though it is not expected to enter a formal protest against that attack upon British shipping interests until the legal proceeding comes to an end with a decision against the British companies.

Would Hasten Money Trust Quiz

An irate group of New York bankers and brokers surrounded Samuel Untermyer, counsel for the banking and currency committee of the House, when the committee adjourned its "money trust" hearing on Wednesday, and demanded that they be either excused or placed on the stand at once. The New York men have been in Washington since Monday, and they were told by Mr. Untermyer that they would have to await their turns for examination. In the group waiting to testify were Rudolph A. Keppler, former president and member of the law committee of the New York stock exchange; George W. Ely, secretary of the exchange; Frank Sturgis and John G. Millburn, of counsel for the exchange, and the following brokers: Walter Taylor, Henry K. Pomroy, Samuel F. Streit, P. J. Goodhart, G. W. Turner, John H. Griesel, Henry Content. John Aupergen, president of the New York produce exchange, is also awaiting examination.

CHICAGO TRIBUNE REPLIES TO FARMERS EXCHANGE BANK OF NEBO

In the town of Nebo, Ill., says the Tribune in an editorial, is the Minier State bank. There is also a private banking concern, "The Farmers Exchange Bank of Nebo." The Minier State bank seems to be able to do business under the banking laws and supervision

of the state. But the Farmers Exchange bank remains as a private institution, and is at present so infuriated over the agitation for supervision of private banks that it spends money for a large advertisement in a local paper to abuse The Tribune and argue the evil of supervision.

These inflamed private bankers declare that organization and supervision "furnish protection, but they furnish it to the stockholder instead of the depositor."

The just and lucid reasoning in support of this theory is that in the organized bank its stockholders are liable only to twice the amount of capital stock, whereas the private banker is liable to the extent of all his possessions!

The value of that sweeping protection has been demonstrated strikingly in numerous cases of private banks, when depositors found themselves worse off than Mother Hubbard's dog.

The Tribune is not troubled about the opinion expressed of it by the Farmers Exchange Bank of Nebo. As it said recently of a similar outcry from a private bank in Elliott, it cherishes such enemies as a mark of public service. But the reasoning put forth is worthy of publication to show the public and conscientious legislators what the character of the opposition to supervision is.

The value of the "protection" to depositors of the Farmers Exchange bank may be all that it claims. We are not concerned with the sound private banks, but a child ought to understand that the existence of sound private banks does not do away with the necessity for ascertaining whether all private banks are sound.

A private banker has just been found who kept no record of deposits, except on loose slips of paper. He began with practically no capital. Now he has some. But from the first he has been a "bank."

The Farmers Exchange Bank of Nebo has paid money to advertise the reasoning of an ignorant and angry child. We trust its banking methods are better than its logic and its capital greater than its common sense and public spirit.

DECLARE DIVIDENDS

Directors of the National Bank of the Republic have declared the usual dividend of 2 per cent, payable to stockholders of record December 31st.

Directors of the Harris Trust and Savings, declared the regular quarterly dividend of 3 per cent and an extra dividend of 5 per cent, making 17 per cent for the year. Both dividends are payable January 2d to stockholders of record December 18th.

REDUCE NUMBER OF DIRECTORS

A proposal to decrease the number of directors of the Harris Trust and Savings from twenty-five to eleven, was approved this week at a special meeting of stockholders of the bank held for that purpose.

CHICAGO BANK TELLER ARRESTED

N. G. Antonopoulos, paying teller in the foreign department of the Mid-City Trust and Savings, was arrested this week on a charge of operating a confidence game.



ESTABLISHED 1902

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WM. M. RICHARDS, Asst. Cashier	JOHN C. ARMSTRONG, Asst. Secretary	WILLIAM T. ANDERSON, Auditor

CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The new building of the Ayres National of Jacksonville will be occupied by the bank on or about January 1st. This bank and office building will rank among the best in the state in equipment and in convenience. Jacksonville is a city of good banks and of good bankers as well, as the names of Dunlap, Russell, Farrell, Crabtree, Weir, Buffe, the Elliotts and others will attest. A more extended account of this beautiful bank building will appear later in THE CHICAGO BANKER.

Good Banks, Good Soil, Poor Roads

Andrew Smith, vice-president of the Indiana National and secretary of the Indiana Bankers Association, who accompanied the Indianapolis trade boosting expedition through central Illinois recently, was impressed with the prosperity of Illinois and of her banks but, like most Hoosiers, did not like the looks of Illinois roads. He has reasons for not liking Illinois roads. Mr. Smith is a modest man, and insists that his name is only plain Andrew Smith and not Andrew J. Smith, although many of his correspondents insist on placing the J in his name to insinuate, doubtless, that he was named for a president of the United States. Mr. Smith writes the following comment of his trip through central Illinois:

"I am glad to say the other gentlemen, as well as myself, who were in the party of Indianapolis Boosters, were very much impressed by the prosperous conditions which seemed to prevail throughout Illinois. Your good old black soil has certainly brought in a lot of money to the natives of your state. The only thing that did not impress me favorably with Illinois was her roads. What a great help it would be to the farmer if you had good gravel roads like we have here in Indiana. I was particularly struck with the prosperity of your banks. In fact I was amazed at the beautiful homes which the banks of Champaign occupy; more especially the First National. It looks like a magnificent City Bank, and I was pleased to congratulate the Messrs. Harris upon the splendid plant which they have. Banks in other cities which we visited seemed to be substantial and nicely furnished, with good safe equipment. They all told us that things were very prosperous throughout the section that we visited."

Banker and Wife Wedded Fifty Years

Mr. and Mrs. John J. Bergen, of Virginia, Ill., have recently celebrated their golden wedding and Mr. Bergen has also celebrated his fiftieth year as choir leader of the Presbyterian Church of Virginia. They were married December 2, 1862, near Virginia, and both of them are natives of Cass county, where they have always resided and have been active in church and public matters. Several hundred persons called on them on the golden anniversary day. Mr. Bergen is cashier of the Centennial National Bank of Virginia and "is a young man at seventy-two."

Gifford Has New State Bank

The state auditor has issued a permit to R. H. Morse, J. D. Morse and E. J. Morse of Gifford, Champaign county, to convert the private bank of Morse Bros. & Co., into a state bank to be known as the Morse State Bank. The capital will be \$25,000 and the business will be conducted as heretofore. J. D. Morse is chairman of the Champaign County Bankers Association and R. H. Morse, who has resided in California for a number of years, is cashier of the Globe Savings Bank of Los Angeles. A safe, conservative banking business has always been done by the Morse family. The private bank at Gifford has been conducted for twenty-five years.

New State Bank for Urbana

State Auditor McCollough has issued a permit to S. W. Love, Ira Rigdon, J. E. Davis, C. B. Taylor and others, for the incorporation

of the First State Trust and Savings Bank of Urbana to take over the business of the Farmers Savings and Loan Bank, a private bank. Mr. Love has been the president of the old bank and will continue as president of the state bank. He has served as mayor of Urbana. Mr. Rigdon has recently resigned as cashier of the Peoples State Bank of Mansfield, Piatt county, in order to aid in the new bank, and Mr. Davis is with the Farmers and Merchants Bank of Pesotum, Champaign county. The capital of the bank will be \$100,000 and a new three-story banking and business block will be erected next spring. National City is the Chicago correspondent.

Two New Nationals

Application has been made to the comptroller of the currency for the organization of the First National Bank of Colfax, near Bloomington, to take over the business of the private bank of J. W. Arnold & Co. The capital will be \$25,000.

Application has also been made to organize the First National of Des Plaines, with Oscar Fischer, Thomas T. Snell, George M. Whitcomb and Walter L. Plew as directors. The capital will be \$25,000.

New Banks for Northern Illinois

The Citizens State Bank of Durand, near Rockford, is being organized by W. H. Ran-

F. E. FARRELL, President	H. H. POTTER, Cashier
E. E. CRABTREE, Vice-President	M. W. OSBORNE, Assistant Cashier
Established 1864	
F. G. FARRELL & COMPANY, Bankers	
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Deposits over \$3,200,000.00

Solicits Accounts and Collections from Banks,
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Write for the Investors' Magazine, which we publish twice a month in the interest of conservative investors, and for Circular No. 50.

S. W. STRAUS & Co.

INCORPORATED
MORTGAGE AND BOND BANKERS

ESTABLISHED 1862

STRAUS BUILDING, CHICAGO.

ONE WALL STREET, NEW YORK



dall, T. W. Webster, M. B. Dolan and others, with capital of \$30,000.

The State Bank of Somonauk, DeKalb county, is also being organized with C. V. Stevens, L. B. Olmstead and William George as incorporators. The capital will be \$25,000. Mr. Stevens has been serving as president of the Somonauk Bank, a private institution.

More Bank Robberies

The State Bank of Perry, in the southwest part of the state, was visited by blow-up men who secured amounts variously reported from \$2,000 to \$5,000. A citizen who tried to stop them was shot at four times. The robbers rode south from Perry and bloodhounds were at once placed upon their track.

The Farmers and Merchants Bank of Pesotum, Champaign county, a new institution established this fall, was also visited by blow-up artists. The banking room was damaged, all the glass in the room broken and the combination to the safe blown off, but fortunately the work stopped there, although the robbers were near their booty. The bank was using a temporary safe until their new vaults already ordered, have arrived. It is thought that the robbers were acquainted with conditions in the bank and it is believed that they came into Pesotum by automobile from Villa Grove, a town to the east. There is no clew.

The Bank of Penfield, in northern Champaign county, was attacked Tuesday night, December 10th, but no further damage was done than breaking the combination off of the vault door. This is the second attack upon this bank within two years. There may be some connection between this robbery and the one at Pesotum, above noted, as both are in the same county. Another attempted robbery was upon the Bank of Silvis, in Rock Island county, but no booty was secured. The crime wave spreading over Chicago seems to be over the state as well, and bankers should use the greatest of precaution during the season of long nights.

Illinois Notes

The Moline Trust and Savings Bank recently has purchased a choice corner in Moline for \$160,000, or at the rate of \$3,600 a front foot.

The Pontiac State Bank has increased its surplus from \$30,000 to \$40,000, and reports deposits of practically \$750,000.

Following the good words about the prosperous industrial and banking conditions in Moline by Vice-president Nelson H. Greene of the Peoples Trust and Savigs Bank of that city, published last week in THE CHICAGO BANKER, comes the announcement that John Deere & Company will erect a ten-story office building in that city. Moline is one of the many busy cities in Illinois.

The Springfield board of education is considering establishing a penny savings system in the public schools of that city in order to teach habits of thrift to the children.

Springfield may send a number of business men on the trip to the Panama Canal which is planned for early next year by the Cincinnati Chamber of Commerce.

The first National of Canton reports deposits of \$900,133; the First National of Kankakee, \$1,064,282; the Havana National of Havana, \$663,184; the Farmers National of Springfield, \$2,209,831; the State National of Springfield, \$1,452,830, and the Illinois National of Springfield \$1,654,937.

State Treasurer-elect William Ryan is spending a few days recuperating at West Baden, Ind., before he assumes office.

The assessed property of the citizens of Illinois has been increased \$21,186,128 over the assessment of 1911. These figures include

personal property, town and city lots and lands.

The Randolph County Driving Club and Fair Association has officers who are mostly bankers, as N. R. Lesseley, president of the Sparta State Bank is the president; E. B. McGuire, president of the First National of Sparta is vice-president, and William Watson, cashier of the Bank of Sparta, is the treasurer of the association.

Cashier E. C. Vandagriff of the Bradley State and Savings Bank, in a manufacturing town of the same name just north of Kankakee, was wired by the comptroller of the currency that a merger of banks in Wilburton, Okla., was contemplated, and that he might become receiver for the First National of that city during the merger. Mr. Vandagriff was forced to decline the offer.

A Douglas county good roads association has been formed at Tuscola, composed of highway commissioners, farmers, automobile owners and "everyone interested in good roads." Another step in the right direction.

The three national banks of Lincoln report good deposits, the First having \$418,311, the German-American, \$812,011, and the Lincoln, \$1,037,865. The Lincoln State Bank is another good bank in that city.

The German-American National of Pekin reports deposits of \$1,105,000. The bank is a "Roll of Honor" bank and "has for twenty-five years adhered consistently to safe and sound banking methods."

J. W. Crabb, president of the Tazewell County National of Delavan, had one car of cattle and two cars of hogs at the International Live Stock Show in Chicago and won two prizes. He secured first premium on his short-time fed specials, and second premium on his pure bred Chester White hogs.

L. C. Taylor, of the John Deere Plow Works of Moline, was on the program of the Logan County Farmers Institute at Lincoln, his subject assigned being "The Banker and the Soil."

Guaranty Trust Company of New York has declared a regular quarterly dividend of 6 per cent and an extra dividend of 2 per cent, payable December 31st to stock of record December 27th.

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The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
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Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

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DIRECTORS

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Clement C. Smith

BUILDING OWNED BY THE BANKS

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Milwaukee Chapter of the American Institute of Banking is \$1,800 richer as the result of the minstrel show produced by members of the chapter on Friday and Saturday nights of last week. The Pabst theater was well filled at both performances. The proceeds will go into the general educational fund of the chapter which mainly is used in defraying the expenses of banking authorities invited to address the monthly meetings. The chapter plans to engage in a more elaborate entertainment next year.

Record in New Buildings

Milwaukee banks largely are responsible for the city's phenomenal advance in building during the present year. American contractor tables for December place Milwaukee in the front rank of cities as regards building. The gain over last year is \$14,708,224 as compared with \$11,507,531 or 27 per cent. The new buildings of the First National, Merchants & Manufacturers, and Second Ward Savings Banks contributed to the record breaking total.

Bank Cashier Weds

Ernst C. Kambe, cashier of the Merchants & Farmers Bank, was married last week to Miss Kathryne Warth of Milwaukee. Mr. and Mrs. Kambe will be at home at 420 Auer Avenue.

Celebrates Twentieth Anniversary

The Wisconsin National celebrated its

twentieth birthday on Thursday. President L. J. Petit announced that the corporate charter had been extended twenty years.

Milwaukee State Organized

A new bank to be known as the Milwaukee State Bank, with offices in the old home of the Milwaukee National at East Water and Michigan Streets, has been organized with John F. Strohmeyer, J. W. McMillan, and William Filter as incorporators. Mr. Strohmeyer was president of the Milwaukee National before it consolidated with the First National and at present holds office with the latter organization. The capitalization of the new bank is \$50,000.

Takes Case to Court

The Wisconsin Trust Company, trustee for the Nathan Hamburger estate, has commenced proceedings for a review by the circuit court of the assessment on stock of the estate in the Gimbel Brothers Company. The figure agreed upon by the board of review was protested by the trust company at the first hearing and the matter was taken to the courts.

Increase in Assessed Value of Railroads

Although the preliminary assessment of Wisconsin railroads announced by the state tax commission this week shows an increase of only \$1,500,000 over the final assessment last year, the exemption of railroad terminals from state taxation by the last legislature means that the assessed value of railroad

properties is in reality about \$8,000,000 greater than last year.

Large Barley Receipts

Secretary H. A. Plumb of the Milwaukee Chamber of Commerce believes that barley receipts for the year will reach nearly 18,000,000 bushels, placing Milwaukee far in the lead of all other cities in the United States as a barley and malting center.

Two New State Banks

Bank Commissioner A. E. Kuolt issued certificates of authority to the Lyndon State Bank and the Citizens State Bank of Trempealeau this week. Both are capitalized at \$10,000. D. J. Puffer is president and Phil P. Hayes cashier of the former. Officers of the latter are: President, William Nichols; cashier, M. F. Utter.

Banking Notes

John T. Johnston, cashier of the West Allis State Bank is erecting a residence at Greenfield Avenue and Forty-ninth Street, West Allis.

The Racine police report that a stylishly dressed woman forger has been defrauding the stores of that city this week.

Lillian Krause and Dorothea Burns, who say their homes are in Chicago, plead guilty to forgery in district court this week, but their cases are continued until December 17th, by Judge N. B. Neelen, pending further investi-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 615,000.00

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Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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gation of other charges against them. Both are nineteen years old. Complaints charged that they defrauded downtown department stores.

HOOSIERS HOLD GOOD ROADS CONVENTION

The Indiana Better Roads Convention was held at Indianapolis this week, a large number of delegates being in attendance. The convention was held under the auspices of the federated commercial organizations of the city, with C. A. Kenyon acting as chairman. Indiana people are manifesting great interest in the movement which has been inaugurated for obtaining better roads. H. H. Rice was chosen chairman of the legislative committee.

Addresses of welcome were delivered by Vice-president-elect Thomas R. Marshall, Mayor Shank and ex-Vice-president Charles W. Fairbanks. Wednesday evening there was an illustrated lecture on the roads of the world. Talks also were made by D. Ward King, "The Road Drag Man," inventor of the King Road Drag; Jesse Taylor, editor "Better Roads," Jamestown, O.; Frank E. Gavin, president of the Indiana State Bar Association, and Logan Waller Page, director of the United States office of public roads. Thursday evening there was a vaudeville, smoker and refreshments at the German House.

The convention was held Wednesday, Thursday and Friday.

The draft of a proposed bill completed under the direction of the Indiana Good Roads Association was presented to the convention. It provides a state highway board and a state highway commissioner and for the distribution of state funds to aid road building. Part of the bill reads: "The board shall consist of three members, one of whom shall be the state highway commissioner. The governor shall appoint two members of the board from different political parties. He also shall appoint the state highway commissioner, who shall be a competent civil engineer and experienced in highway construction and maintenance. As soon as practicable after the taking

effect of this act, the governor shall appoint one member who shall hold his office until January 1, 1914; one member who shall hold office until January 1, 1915, and the state highway commissioner, who shall hold office until January 1, 1917. After the first appointments, the terms of office shall be four years each and until their successors are appointed and qualified. The governor shall fill all vacancies and may, after a hearing remove a member of the state highway board or the state highway commissioner for inefficiency, malfeasance or neglect of duty. A majority of the board shall constitute a quorum and be empowered to act on all matters pertaining to the duties of the board."

The members of the board are to serve without pay, with the exception of the commissioner, who shall receive a salary of \$4,000 and devote all his time to the work. The highway commissioner is allowed to appoint three engineers, one clerk and one draftsman. An additional tax of not to exceed 1½ mills on each dollar of taxable property in the county may be levied, and the county is authorized to issue bonds in lieu of such taxes or in anticipation of their collection. For the purpose of providing the funds for the payment of the proportion of cost that is to be borne by the township, the township advisory board may levy a tax not exceeding 5 mills on all taxable property in the township which shall be in addition to all other levies authorized by law to be levied and collected as other taxes are levied and collected.

In lieu of such taxes or in anticipation thereof the bonds of the township may be issued.

The duty of keeping the roads in repair devolves upon the state commissioner.

It is provided that fees derived from the registration and license of automobiles and other vehicles, and fines and penalties paid for the violation of highway laws, shall go into the state highway fund.

The total cost of improvement is to be paid by the state, unless the work is done by a county or township, in which event the

amount paid by the state shall be one-half of the total cost.

The bill also provides:

"(a) The county or counties may, through the board of county commissioners, provide for the payment by the county of the entire 50 per cent of the cost and expense thereof.

"(b) The county or counties may provide for the payment of 25 per cent thereof, in which case the remaining 25 per cent shall be a charge against the township wherein such highway is located and the abutting property owners, of which 15 per cent of the total cost shall be paid by the township, and 10 per cent by the abutting property owners.

"(c) In case the road has been petitioned for by the township as provided for in Section 23, the township shall pay the entire 50 per cent and reimburse itself to the amount of 15 per cent of the total cost by assessment on the abutting property owners."

HARRIS TRUST PURCHASES BONDS

The Harris Trust and Savings bank and its eastern associates have purchased \$890,000 Montreal Tramways company first and refunding mortgage 5 per cent bonds, due July 1, 1941. The Montreal Tramways company owns and controls the entire street railway system of the city of Montreal and suburbs, with the exception of about one mile of inter-urban line entering the city, and serves a population of over 500,000.

The same interests have purchased \$1,000,000 Southern Power company first mortgage 5 per cent bonds. The Southern Power company provides with electric power and light the great southern cotton mill district of North Carolina and South Carolina, including a population exceeding 600,000.

In celebration of its semiannual anniversary, the Batavian National Bank, LaCrosse, Wis., donated \$1,000 to the Associated Charities and humane society, to be used to relieve distress among the poor.



MECHANICS-AMERICAN NATIONAL BANK

OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, December 11th.—Money continued in more than fair demand during the past week; all the financial institutions were well supplied with loanable funds. Rates held firm at $5\frac{1}{2}$ to 6 per cent on call and time loans. Bank clearings have been very large and greatly in excess of those of the corresponding period last year.

Mercantile Trust Holds Annual Election

At the reorganization meeting yesterday of the new board of directors of the Mercantile Trust Company, following the annual election Monday, the former officers were re-elected, as follows: Festus J. Wade, president; Paul Brown, Wm. Maffitt, W. F. Carter, and C. H. McMillan, vice-presidents; Edw. Buder, treasurer; W. J. Dugan, secretary; J. B. Moberly, real estate loan officer; James W. Bell, manager savings department; Richard L. Goods, counsel; Virgil M. Harris, trust officer and Amedee V. Reyburn, manager safe deposit department.

Poor Man's Bank Planners Meet

A meeting of the organization committee of the so-called Poor Man's Bank was held Monday afternoon at the Mercantile Trust Company. All the members of the committee were present, including Col. James G. Butler, Festus J. Wade, W. W. Hoxton, W. J. Kinsella, Henry L. Cornet and A. L. Shapleigh. Col. Butler stated that the committee has authorized him to proceed with the planning of the institution and to report at a later meeting.

Bank Clerks Will Contest

Thirty dollars in prizes will be awarded to St. Louis bank clerks in an adding machine contest at the St. Louis Business Show at the Coliseum to-day. The fastest time and the greatest accuracy are the points on which the \$15, \$10, and \$5 prizes will be awarded. The contest will be under the auspices of the St. Louis Chapter of the American Institute of Banking. The committee in charge is composed of L. W. Fricke, John A. Long and Carl Walters.

Mechanics-American National Bank Letter

In its monthly letter on the business situation, the Mechanics-American National Bank has the following:

"The Southwest has scarcely ever done a better business at this season of the year than it is doing to-day. All the industries located in this city are feeling the stimulus, and the most conservative judges in the dry goods line, shoe trade, lumber industry and manufacturing lines take hopeful view of the outlook. What is more to the point, there is no indication whatever of a disposition to overtrade. Merchants, both large and small, are buying conservatively, but their orders are heavy owing

to the low stocks and the long period of very cautious buying.

"There is no real concern felt in this section over the change in the national administration. In some industries the prospect of a tariff revision has been effective in making manufacturers defer plans or future business pending actual revision of the schedules. But the feeling is fast gaining ground that the honest business man has nothing to fear from the incoming administration and that congress will not go to extremes in the way of radical legislation. Recollections of the vicissitudes experienced during the recent period of business reaction are too fresh in the minds of business men and of legislators as well to lead them to support such changes in existing laws as would seriously unsettle business conditions. There are very definite indications that some excellent legislation will be forthcoming during the next year or so. It seems clear now that some attempt will be made to pass a new currency bill and that it will provide for such reforms as shall make it infinitely preferable to the one now on the statute books. The indications are that this work will be taken up before very long and that an honest effort will be made to formulate a bill on lines which shall be acceptable to the business interests of the United States. What is more to the point also is the fact that those in charge of this legislation appear willing to hear all sides and seem bent upon taking such action as shall win support from those who view the currency question from a non-partisan standpoint and with the sole idea of providing for the business interests of the United States a currency system which shall be of value to the whole people. It can be said that there is scarcely anything which would be of greater importance, as in a comparatively short time the Aldrich-Vreeland Emergency Currency Law, which was enacted just after the panic of 1907, will expire and then the banks will be upon precisely the same basis of a defective-currency system that they were before."

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

Bank Wins Globe Shoe Claim

The contention of creditors of the Globe Shoe and Clothing Company to rule out a claim of \$22,000 of the National Bank of Commerce against the trustee of the company was turned down by Referee Walter D. Coles, after he had heard testimony on the point. Mr. Coles held the bank was not aware of check kiting which the Globe Company is alleged to have done.

George Woodruff to be in St. Louis

George Woodruff, president of the First National of Joliet, Ill., will address the Business Mens League in the Mercantile Club next Wednesday, December 18th. Mr. Woodruff has investigated credit systems in France and Germany and will talk on their application to conditions in the United States.

To Fight Lumber Rates

Advices have been received by the St. Louis Lumbermen's Exchange that delegations of lumbermen from Nashville and Memphis, Tenn., will arrive in St. Louis probably Friday or Saturday to attend an Interstate Commerce Commission hearing at Hotel Jefferson, December 16th and 17th. This hearing will be devoted to an investigation of proposed advances on lumber beyond the Ohio River gateways to Canadian points, which the railroads claim have been forced on them by increased division demanded by Canadian lines. This heavily affects the South's cooerage interests, which ship extensively to Canada, and the advances are being contested by the lumber and cooerage interests of St. Louis, Nashville, Memphis and other points. Plans of coooperation of St. Louis and other cities in the more important fight against the wholesale advances on hardwood lumber from the southern producing section will be arranged.

County Banks Gain \$500,000

According to figures compiled by Fred J. Hollocher, secretary of the County Trust Company at Clayton, the deposits in St. Louis county banks during the year ended December 1st show an increase of more than \$500,000 over the previous twelve months. On December 1st, the aggregate amount of cash on deposit in the country banks and trust companies was \$5,510,936. The aggregate assets were \$6,702,493. There are nineteen banks and trust companies in the county.

Arkansas Bank Chartered

The Bank of Richland, Madison County, Ark., has been chartered by the state. G. W. Ledbetter, will be president and J. G. Pope, secretary-treasurer. The capital stock is \$25,000.

Directors:

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Pres. New York State Rys.

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August Belmont & Co.

AUGUST BELMONT, Jr.
August Belmont & Co.

DANIEL J. CARROLL
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HARDEN L. CRAWFORD
Pres. The Century Bank of New York

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Treas. E. I. Du Pont de Nemours Powder Co.

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Vice-President

Capital and Surplus
\$3,000,000

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EST. 1850
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Resources, Twenty-five Million Dollars

Capital
\$2,000,000

Surplus
\$2,000,000

NATIONAL BANK OF ST. LOUIS

Deposits, \$35,000,000

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CHICAGO

ATTRACTIVE STATEMENT

The statement of the First National of Marietta, O., under the last call of the comptroller of the currency, says "The Bank Flies the Flag." The face of the statement contains a beautifully embossed reproduction of Old Glory. The First National is one of the honor national banks of Ohio, having capital of \$150,000, surplus of \$350,000 and deposits of \$1,509,947.78. W. W. Mills, the president, is regarded as one of the leading financiers of Ohio. He also is president of Marietta College, an institution which is giving the country some of her big bankers and financiers. The Hon. Charles G. Dawes, president of the Central Trust Company of Illinois, ex-comptroller of the currency, and C. H. Bosworth, president of the Peoples Trust and Savings and a former national bank examiner, are graduates of this institution.

FREMONT, NEB., BANK TO HAVE NEW BUILDING

The First National of Fremont, of which E. R. Gurney is the president, contemplates the erection of a new bank building, the approximate cost of which will be \$100,000. Mr. Gurney has been an active participant in affairs relating to the American Bankers Association and is well and favorably known to bankers.

NEW BANK FOR TULSA

Tulsa, Okla., is to have a new bank which will be called the American National, capitalized at \$100,000 and being organized by Joseph W. McNeal of Guthrie. It is expected to open for business some time this month—as soon as suitable quarters can be obtained.

BANK ROBBERS BLOW SAFE

The safe in the bank at Perry, Ill., was blown to pieces recently and the building wrecked by robbers. The explosion was heard by Charles Connor, who started to give the alarm and was shot at three times by the robbers. They escaped in a buggy. Perry is an inland town. About \$1,500 was taken from the safe.

PRIVATE BANK CONVERTS TO NATIONAL

Application has been received at Washington for the organization of the First National of Colfax, Ill., to succeed the private bank of J. W. Arnold & Co. of that place. The new institution will have a capital of \$25,000.

KISSEL, KINNICUT & CO. ACQUIRE NEW QUARTERS

The Chicago office of Kissel, Kinnicut & Co. has been removed to the Rookery. Robert Stevenson, Jr., is the manager.

APPOINT MINNEAPOLIS REPRESENTATIVE

J. W. Goldsbury of Minneapolis has been appointed as representative of Kissel, Kinnicut & Co., in the Twin Cities.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

NEW ILLINOIS STATE BANKS

The Amboy State Bank, with a capital of \$50,000, has been organized with George P. Miller as president and Ray Ralden, cashier. A charter has been issued to L. G. Gilster, Jr., Ralph F. Sprigg and Charles F. Wedge, all of Chester, Ill., to organize the State Bank of L. G. Gilster & Co., to be located at Chester. The new institution will be capitalized at \$25,000. A permit has been issued for the organization of the Kane County Bank and Trust Company of Elburn, capitalized at \$50,000. The organizers are John Stewart, James Meredith, George Reeves, et al. A permit also has been issued to Samuel W. Love, Frank Menon, Charles B. Taylor, et al, for the organization of the First State Savings Bank at Urbana, with capital stock of \$100,000.

Springfield, Ill., Dec. 10th.—The state auditor of public accounts has issued a permit to William H. Randall, Thurkown W. Webster, Martin B. Dolan, Scott Monteith, Dale Shakey, T. J. Lins and T. H. Young to organize the Citizens State Bank of Durand, Winnebago County, with a capital of \$30,000. A permit was issued to C. V. Stevens, L. B. Olmstead and William George to organize the State Bank of Somonauk, DeKalb County, with a capital of \$25,000.

LACROSSE BANKS SHOW LARGE INCREASE IN DEPOSITS

During the past year the deposits in the five banks in LaCrosse, Wis., have increased more than half a million dollars. More than half of the increase is credited to the National Bank LaCrosse, whose deposits are over four million dollars. The other financial institutions also make a very satisfactory showing.

Editorial Comment

CLEARING HOUSE BANK EXAMINATIONS

From the manner in which the daily papers played up the news features of his address, one would think that James B. Forgan went over to Detroit to tell the members of the Detroit Bankers Club the secrets involved in the failure of the Walsh banks in 1906. Nothing was further from that eminent banker's mind at the time. He simply diagnosed the situation in a careful, practical way as preliminary to the remedy prescribed by the Chicago Clearing House together with the results that followed. Mr. Forgan carefully pointed out how it is entirely possible, under national supervision as conducted to-day, for a bank to continue publishing misleading reports. It may not be known generally, as Mr. Forgan has declared, that "under the national bank act no obligation due a bank is considered bad until interest is past due six months and not then if it is secured or in process of collection." Mr. Forgan readily admits that the comptroller has full power to appoint a receiver when he concludes that a bank is insolvent, but he clearly showed also how the comptroller is hampered by the legal definition of insolvency which is "inability to pay current debts as they mature." Under the conditions here pointed out it is entirely possible for a national bank to continue to run with plenty of bad paper in its vaults if no part of it is allowed to become more than six months past due. This makes it rather easy for the industrious bookkeeper who may have something to conceal. Furthermore, it might have been many, many years before the Walsh banks would have been unable to pay current debts as they matured. This is evidenced by the fact that the Chicago National was paying six per cent dividends and the other two banks, ten and eight respectively. They were a long distance from the time when they would "not be able to pay current debts." It is shown in Mr. Forgan's address, printed elsewhere in this edition, that the public fully believed in the integrity of the published statements to the comptroller for the stock of the national bank was selling at \$350 per share, and that of the other banks at slightly less prices.

This was the condition which caused the Chicago Clearing House, upon the motion of W. T. Fenton of this city, to adopt a system of examination of its own. Mr. Forgan points out that a current bank statement in Chicago along the lines of the examiner's report, must be reasonably accurate if the bank is to continue to enjoy clearing house privileges. The speaker announced it to be his belief that "no such conditions as caused us to organize our examination bureau, can ever again develop in any bank connected with our clearing house." This is a very emphatic pronouncement, but no one who understands the thor-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

oughness with which clearing house examinations are conducted in Chicago will doubt it for a moment. Chicago has the reputation of being one of the very brightest spots upon the map when it comes to clean, straightforward, legitimate banking with exact conditions reflected in the published reports. Mr. Forgan's address will well repay careful reading and examination.

EVILS OF UNINCORPORATED TRUST COMPANIES

In the present campaign being waged so vigorously against the practice of allowing unincorporated associations of individuals to hold themselves out to the public as incorporated trust companies, a laudable enterprise is being forwarded. Innumerable evils have sprung up as a result of the laxity of the Illinois law.

The creditors of an unincorporated trust company have only the individual or individuals who constitute such "trust company" to look to for payment of their claims. The legal status of the persons making up such company is that of a partnership. In other words, each member of the firm is individually liable for the whole amount of the firm's debts. When, as is so often the case, the members composing the firm are men of little or no financial responsibility, and frequently of questionable integrity, this extraordinary liability imposed by the law upon members of a partnership does not prove as effective as it was intended to be. People who endeavor to deceive the public by representing themselves as embodying all of the elements of strength, conservatism and stability which one ordinarily associates with an incorporated trust company, can be actuated only by sinister motives. Having but little capital with which to operate, they are but poorly equipped to meet the claims of creditors. Exactly the same situation exists as in the case of a private bank. When insolvency occurs they either depart for parts unknown or hide behind the skirts of the bankruptcy court. It is quite obvious that something cannot be taken from nothing; the insolvent has no property; he is the only one against whom the creditors have any recourse. Consequently, they receive little or nothing on their claims; the matter is dismissed from the public mind; the state of Illinois goes about its ordinary business, none

the wiser for its experience, and nonchalantly awaits the next failure.

It almost is impossible to conceive how any great body like the citizens of Illinois could submit patiently to this disgraceful state of affairs for so long a time as it has. One easily could imagine a similar situation prevailing in communities where the interests of the rulers were of primary importance and those of the people merely secondary. Awakened from its lethargy by disclosures made as a result of recent private bank failures, Illinois at last is beginning to appreciate that something must be done and that some sort of legislation must be enacted which effectively shall safeguard the interests of her citizens. It is greatly to be hoped that this effort will culminate successfully, and that our state shall not have the finger of scorn pointed at it as one of the few states where questionable practices are allowed to go unchallenged.

BANK TO FIGHT LOAN SHARKS

Col. James G. Butler, a public-spirited citizen of St. Louis, contemplates the establishment of a bank capitalized at \$100,000, the primary purpose of which shall be to prevent unfortunate people from getting into the clutches of the loan sharks.

Illinois has suffered long from the practices of unscrupulous persons who take advantage of their impecunious victims by extorting from them usurious rates of interest. The Illinois statute provides that the legal rate of interest in this state shall be five per centum per annum, with the privilege of contracting for seven per cent per annum. Chapter 74, section 5, page 1406, reads: "No person or corporation shall directly or indirectly accept or receive, in money, goods, discounts, or thing in action, or in any other way, any greater sum or greater value for the loan, forbearance, or discount of any money, goods or thing in action, than as above prescribed."

It probably will be conceded by everyone that the legislature would have found it difficult to use any language of a plainer import. It also will be conceded that the law is not complied with, for the papers contain frequent references to the woe and misery resulting to unfortunate borrowers who, sometimes, in order to obtain a small loan, are obliged to repay several times the original amount as a consideration. Truly, it is remarkable the resourcefulness and ingenuity displayed by some people in their efforts to evade the law. If this misdirected energy could be turned into legitimate channels, probably the possessors would succeed in doing things which would excite favorable comment from the rest of the world.

Col. Butler's proposition is worthy of especial commendation and ought to prove effective in driving these human sharks out of business.

Condensed Statement

The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

At Close of Business, November 26, 1912

RESOURCES

Loans and Discounts.....	\$22,598,586.16
U. S. and Other Bonds.....	1,399,558.40
Banking House.....	575,000.00
Overdrafts.....	4,157.53
Cash and Due from Banks.....	11,243,835.85
	<u>\$35,821,137.94</u>

LIABILITIES

Capital.....	\$ 3,000,000.00
Surplus.....	2,000,000.00
Undivided Profits.....	491,669.34
Circulation.....	120,000.00
Deposits.....	30,209,468.60
	<u>\$35,821,137.94</u>

WM. H. DUNWOODY, Chairman of the Board of Directors

E. W. DECKER, President
JOS. CHAPMAN, Vice-President
J. A. LATTA, Vice-President
A. V. OSTROM, Cashier
C. W. FARWELL, Asst. Cashier

R. E. MACGREGOR, Asst. Cashier
H. P. NEWCOMB, Asst. Cashier
W. M. KOON, Asst. Cashier
S. H. PLUMMER, Asst. Cashier
H. J. RILEY, Asst. Cashier

THE NORTHWESTERN NATIONAL BANK AND THE MINNESOTA LOAN AND TRUST COMPANY ARE AFFILIATED THROUGH THE OWNERSHIP OF THEIR CAPITAL STOCK BY THE SAME INDIVIDUAL STOCKHOLDERS

Combined Capital, Surplus and Undivided Profits, \$6,783,976.22. Combined Assets, \$40,015,556.46

Statement of Condition of

The Minnesota Loan & Trust Co.

MINNEAPOLIS, MINNESOTA

At Close of Business, November 26, 1912

RESOURCES

Mortgages on Real Estate.....	\$1,038,750.57
Mortgages on Real Estate Guaranty Fund.....	111,750.00
Loans and Discounts.....	1,456,614.93
Municipal and Other Bonds.....	886,259.86
Accounts Receivable.....	42,339.05
Office Building and Site.....	200,000.00
Overdrafts.....	55.40
Cash and Due from Banks.....	458,648.71
	<u>\$4,194,418.52</u>

LIABILITIES

Capital Stock.....	\$1,000,000.00
Surplus.....	200,000.00
Undivided Profits.....	92,306.88
Deposits.....	2,902,111.64
	<u>\$4,194,418.52</u>

All Trust Funds and Investments are kept separate and apart from the Assets of the Company

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E. W. DECKER, President
W. A. DURST, Vice-President
A. M. KEITH, Vice-President
WM. H. DUNWOODY, Vice-President
H. L. MOORE, Secretary and Treasurer

C. V. SMITH, Trust Officer
J. M. MARTIN, General Counsel
I. W. CHAMBERS, Asst. Treasurer
H. D. THRALL, Asst. Secretary
S. S. COOK, Cashier

J. R. BYERS, Assistant Cashier

OHIO BANKS UNDER SUPERVISION

After the first of the year, all private banks in Ohio will be subject to supervision and inspection, when the new amendment to the constitution goes into effect. Two hundred and thirty-eight banks will be affected by this provision, which stipulates that any corporation, firm, partnership or person which uses the word "bank" or "banker" or "banking" in designating its business shall submit to supervision and inspection. While the amendment was fought by some of the private banks, the majority of them realizing that submission to state regulations will help their business materially, offered no opposition to the measure.

INVESTIGATE MISUSE OF WORDS "BANK" AND "SAVINGS"

The banking department of New York has been busy investigating the cases of concerns improperly using the words "bank" and "savings" as a part of their titles. In a statement recently issued by Superintendent Van Tuyl, he says:

"One line of special inquiry was that into the affairs of concerns making illegal use of the words 'bank' and 'savings,' and of corporations doing an unauthorized banking business. This involved an investigation into the status of certain private bankers whose operations had resulted in deceiving the public, and also into the operations of certain large department stores in first-class cities. The banking department has insisted upon the discontinuance of illegal practices. Private bankers have been warned against offending against the law prohibiting the use by them of the words 'bank' and 'savings' and in every instance they have preferred to heed the ad-

monitions of the superintendent rather than incur the penalties attending violations of the provisions of the status. Department stores have been compelled to comply with the legal requirements. The situation with respect to the business conducted by these department stores is, however, not regarded as altogether satisfactory, and the matter of strengthening the law with reference to them and other private bankers so as to bring them under adequate supervision is receiving the attention of the authorities of several states.

"Four of the large trust companies in New York have branches in foreign cities. There are at present four branches in London and two in Paris. These branches have been examined periodically under the direction of this department by firms of chartered accountants. During the past year the branches have been

examined by the department's examiners who were sent abroad for the purpose.

"During the past year the banking department has taken occasion to criticize the defective accounting systems in banks and recommend changes which would correct the defects complained of. In the past much loss has been occasioned by carelessness and ignorance and the superintendent has felt it a duty to insist upon the books of banking institutions being properly kept and the interests of the depositors and stockholders safeguarded. This is true not only in the accounting, but also in the credit departments. When necessary, or upon the request of any banking institution, an examiner of this department is assigned to the duty of installing a new system of accounting."

PROSPEROUS SAN ANTONIO BANK

State Bank and Trust Company of San Antonio, Texas, sends out a good statement under the last call. Paid-in capital amounts to \$100,000, surplus and undivided profits, \$53,639.65, and deposits, \$1,410,999.53. The non-interest bearing and unsecured deposits of the bank are protected by the state bank guaranty fund. Officers are: R. R. Russell, president; W. W. Collier, vice-president; J. H. Haile, vice-president, George D. Campbell, cashier and A. G. Engelke, assistant cashier.

NATIONAL BANK FOR DESPLAINES, ILLINOIS

Application has been received by the comptroller of the currency for the organization of the First National of Desplaines, Ill., the new institution to be capitalized at \$25,000. Directors include Oscar Fischer, Thomas T. Snell, George M. Whitcomb and Walter L. Flew.



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E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

JAMES B. FORGAN ON CLEARING HOUSE EXAMINATIONS

(Continued from page 5)

venience of their members in effecting their daily exchanges. In this process, however, the members have to trust each other for large amounts in the shape of daily balances payable in cash. Each bank member therefore becomes interested in the integrity of all, and all in each. But beyond this, in view of the awful calamities caused by bank failures and of the fact that the failure of one clearing house bank affects the confidence of the community in all, they become vitally interested in the maintenance among themselves of conservative management and proper business methods. Hence, only such banks as can stand a satisfactory preliminary examination are admitted to membership and only those whose condition continues to be satisfactory to a duly appointed committee can enjoy clearing house privileges. Members and non-member banks clearing through members are required to render to this committee copies of the statements they make to the comptroller or to the state auditor five times a year.

These disclosures in connection with the failures of these three banks showed the associated banks of Chicago that statements so rendered, which up to that time had been all the clearing house committee had to rely upon and which, as published, form the basis of the standing and credit of banks with the public, could not be implicitly relied upon. It was therefore unanimously resolved to adopt a system of supervision under which there could be some assurance that such conditions could never again develop in any bank connected with the Chicago Clearing House Association. There was therefore organized a bureau of examination in connection with the clearing house.

The strength of this bureau lies in the fact that it was thus evolved by the voluntary action of the associated banks for their individual benefit and protection. We were fully aware that external supervision under whatever authority it may be exercised does not absolutely guarantee sound and safe banking in individual cases. Honorable and intelligent initiative management can alone be relied on for the ultimate success of individual banks. But judicious and intelligent supervision in the mutual interest of all fosters and encourages conservative management in each. We further saw that it would not do to have the entire business of the individual banks disclosed to a committee made up of competitors in the business. We therefore devised the plan of appointing a competent examiner with a sufficient force of assistants to make as thorough an examination as possible of each bank at least once a year and report his findings in full detail to its directors. In this way as thorough an examination is made of each bank as would be made if the directors of their own initiative employed an outside expert to examine their banks and report to them. The examiner's complete report of each bank is sent to its president, the directors are all notified of its existence and are asked to personally peruse it and to acknowledge to the examiner the receipt of his notice. If, in the course of his examination, the examiner finds any bad debts, depreciated assets or other losses unprovided for, so that at a fair valuation the assets do not offset the liabilities, including the capital, surplus and undivided profits, as shown in the balance sheet, or if he discovers any irregularities in connection with the bookkeeping or management, he reports such findings to the clearing house committee. The committee does not see the examiner's complete report as rendered to the directors. All that is found satisfactory is so reported to the committee without detail. If conditions are so bad as to make it neces-

sary the committee has the right to call for a copy of the complete report so that it may deal intelligently with the case, but this is only when bad business so permeates the bank as to render its condition precarious. Thus, as nothing but bad and undesirable business comes to the committee's attention, the members of it have no advantage through their position in competition with the other banks for desirable business.

Neither the examiner nor the committee is hampered with restrictive rules and regulations. The examiner simply examines and reports upon the condition of each bank as he finds it the same as any other expert examiner would do if employed by the directors for the purpose. Anything affecting the integrity of a bank's statement as rendered under oath to the government and to the clearing house and as published is reported to the clearing house committee. This is the whole matter in a nutshell. We have simply established two rules applicable to all banks connected with our clearing house association and even these are unwritten. The first is that our statements as made and published must reveal the true conditions of our banks on the basis of their assets at a fair valuation being sufficient to offset their liabilities including capital, surplus and undivided profits. In other words their capital, surplus and undivided profits must always be represented by the approximate value, reasonably estimated, of their assets in excess of the amount of their liabilities to the public. The second is that from an ethical standpoint the management of our banks must be honorable and straight, and their records and reports reliable. The clearing house committee, duly elected once a year, are, with the examiner's reports to guide them, the judges as to whether the statements rendered to them by the banks five times a year are reasonably correct from the standpoint of these two unwritten rules. As already stated, we are not hampered with technical rules or regulations or even with legal definitions or interpretations. We investigate and treat all on a reasonable business basis. Our committee might find difficulty in defining a bad debt while they could recognize one if they saw it. They might regard as a bad debt an obligation on which interest had been paid six months in advance instead of having to wait until it is six months past due before they can so consider it. They regard the making and publishing of erroneous statements of a bank's condition as morally wrong, and therefore not permissible among banks associated together for their mutual benefit and protection, even if the making of such is not legally regarded as a misdemeanor. And they do not have to wait until a bank is actually insolvent in a legal sense before they can call it to time. A bank's statement must, on the basis of the examiner's report, be found reasonably accurate by the committee or it cannot continue to enjoy clearing house privileges.

As to the ability of an examiner to pick out and report on bad debts and depreciated assets, he soon acquires a sufficient knowledge of local conditions to enable him to do so with reasonable accuracy. He subscribes to the commercial agencies and has the entire banking fraternity with which to consult as to the standing of any obligor or as to the value of any security. The longer he is on the job the more information he acquires and the more proficient he becomes. Besides having been for several years a bank inspector myself I have had considerable experience with bank auditors and examiners and my observation is that anyone of ordinary intelligence with a bank training and with adequate sources of information at his command can very soon classify a bank's assets with reasonable accuracy.

It has been my practice to divide bank assets

into five classes and for convenience to name them in dairy terms such as cream, sweet milk, skim milk, sour milk and sediment. The cream consists of such prime investments, whether in notes or bonds, as can be relied on to be paid at maturity or as can be readily sold and converted into cash. The sweet milk is that line of desirable loans made to good customers who keep satisfactory average balances and whose legitimate business requirements the banker is under obligation to consider and must consider in order to keep their business. The skim milk is represented by business which is not quite as good as it was thought to be when it was taken on and therefore requires special care and attention, although no loss on it is anticipated. The sour milk is business which has become so bad that at least partial loss can be reasonably anticipated on it, which should be provided for. And the sediment is business so bad that a large percentage of loss on it is so inevitable that it can no longer be considered a legitimate or desirable bank asset and should be charged off.

The cream and the sweet milk are readily recognizable, the skim milk will as a rule disclose some complication or other indications of conditions connected with it which make it undesirable as a bank asset at its face value. With these three classes segregated there are left the sour milk and the sediment. To keep a bank as sweet and clean as a model dairy these two last named classes of assets must be constantly eliminated. When discovered by the examiner they are reported to the clearing house committee because if a bank's statement is to disclose its true condition the loss on them should be provided for. There is little fear of the members of the committee competing for such business.

As to the practical working of clearing house examinations in Chicago during the six years of their existence I can only say that it has proved in every way most satisfactory and successful. There has been neither friction nor unpleasantness. Bank directors realize the great benefits derived and are unstinted in their praise of them. They are greatly assisted by these reports in keeping themselves informed on the condition of their banks and they readily co-operate with the clearing house committee in the correction or elimination of anything open to criticism. Our experience has been that the banks have almost unanimously adopted every suggestion made by the committee. I cannot of course discuss such details as would show its efficacy. I can only say that the results have been most satisfactory to all concerned and that much good has been accomplished for the Chicago banks individually and collectively.

The organization being entirely voluntary partakes somewhat of the nature of a gentleman's agreement, under which each bank binds itself to conduct its business under proper methods. The effectiveness of the method lies in the fact that they are all measured by the same standard, viz: that their statements as rendered to the Clearing House Association must be satisfactory to the committee, in view of the examiner's reports upon them, otherwise they cannot continue to enjoy clearing house privileges.

In no sense, however, does the committee assume responsibility for the individual management of the banks or for the quality of all the loans current in them. This responsibility must always rest on the officers and directors of each bank.

All the committee undertakes is to pass judgment, based on the examiner's report, on the reasonable integrity of each bank's assets and the general reliability of its statement. In the fact that the members of the committee are posted on local credits and financial affairs lies the superior efficacy of clearing house



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Is your Bank prepared to issue "A.B.A." Cheques to customers who will ask for them?

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New York City

supervision. But the committee is not omnipotent; it is only an ordinary human agency. It has no control of the initiative management of the banks under its supervision and under ordinary circumstances they are only examined once a year. The committee fully realizes the heavy responsibility laid upon it. It has no easy problem to decide as to when or what action should be taken in connection with the condition of a badly managed bank. Conditions must become bad indeed and expostulation must have been exhausted before any supervisory authority, however constituted, will assume the responsibility of action that might lead to the closing of a bank's doors. If it were otherwise and such action were taken simply because something of minor importance in the bank was considered unsatisfactory, such authority would be accused of causing a solvent bank to close and would be blamed not only by its stockholders, but by its depositors in whose behalf the action would be taken.

We have had no difficulty in securing the co-operation of all our banks and it can now be relied on that no such conditions as caused us to organize our examination bureau can ever again develop in any bank connected with our clearing house.

Bank supervision by examination on the part of a clearing house committee, while probably the best and the most effective external supervision possible, has its limitations, which should be recognized by the intelligent public, and should not be held to a degree of responsibility which it does not assume.

Chicago's lead in the inauguration of an examining bureau in connection with its clearing house association has been followed by Cincinnati, Cleveland, Columbus, Kansas City, (Mo.) Los Angeles, Milwaukee, Minneapolis, St. Paul, New York, New Orleans Nashville, Oklahoma City, Philadelphia, Portland, (Oregon,) San Francisco, St. Louis, and St. Joseph, (Mo.) Three of these cities, viz: Kansas City, Milwaukee and St. Joseph, instead of having their own examiners, employ certified public accountants to make their examinations. So far as I have learned, and I have heard

from nearly all of these cities, clearing house bank examinations have proved eminently satisfactory to all the banks in them.

OLD DOMINION TRUST

Old Dominion Trust Company of Richmond, Va., capitalized at one million, has been chartered by the state, and is the largest financial organization of its kind south of Baltimore. In addition to the million of capital stock there is surplus of a like amount. Officers are as follows: William M. Habliston, president; M. C. Branch, vice-president; E. A. Saunders, Jr., treasurer and Jonathan Bryan, secretary.

ANNOUNCES FORMATION OF LAW PARTNERSHIP

The Hon. Robert W. Bonyne, ex-member of congress from Colorado, and a Denver lawyer, announces the formation of a law partnership composed of himself and Paul Bonyne, with offices at 26 Exchange Place, New York City. Mr. Bonyne has appeared on the programs of a number of state bankers' conventions during the past year and also spoke at the big A. B. A. meeting in Detroit last September, advocating the enactment of financial legislation as suggested by the National Citizens League, which he represented in these discussions.

INDIANA SOCIETY MEETS

(Continued from page 1)

Charles W. Fairbanks and Vice-president-elect Thomas R. Marshall. John McCutcheon of the Tribune made some cartoons and gave a lecture in connection with the moving picture views taken at the outing of the society held at Lake Maxincukee, the seat of the Culver Military Academy, last summer.

Among those present were W. T. Fenton, vice-president of the National Bank of the Republic; H. W. Fenton, vice-president of the Harris Trust and Savings; J. E. Blunt, Jr., vice-president of the Merchants Loan and Trust; Governor Chase S. Osborn, vice-president of the First National, Saulte Ste. Marie,

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Mich.; B. C. Downey, formerly cashier of the Continental National, Indianapolis; L. C. Rose, president of the Colonial Trust and Savings; B. C. Sammons, vice-president of the Corn Exchange National; Charles E. Coffin, president of the Central Trust Company, Indianapolis; A. M. Turner, president of the First National of Hammond; R. C. Stevenson, treasurer of the St. Joseph County Savings Bank and the St. Joseph Loan and Trust Company, South Bend; Charles J. Raub, cashier of the Bank of Chalmers; L. A. Goddard, president of the State Bank of Chicago; W. G. Edens, assistant secretary of the Central Trust Company of Illinois; Earle H. Reynolds, cashier of the Peoples Trust and Savings, Chicago; H. E. Poronto, vice-president of the Central District Manufacturing Bank; R. C. Kellar, vice-president and cashier of the Colonial Trust and Savings; William E. Dickey, assistant cashier of the National City Bank of Chicago; William A. Heath, president of the Live Stock Exchange National; Charles Fernald, assistant cashier of the Fort Dearborn National; A. G. Becker of A. G. Becker & Sons; S. W. Straus of S. W. Straus & Co., and president of the Franklin Trust and Savings; I. D. Straus, vice-president of the Auburn (Ind.) State Bank; Charles A. Wilding, president of the Tri-State Loan and Trust Company, Fort Wayne; S. J. Straus, vice-president of the Commercial Bank at Fort Wayne; Thomas B. Snell, president First National, Gary; William G. Irwin, president of Irwin's Bank at Columbus, Ind.; C. E. Arndt, president of the Citizens Bank, Michigan City; A. E. Coen of the Colonial Trust and Savings; C. C. Pape of N. W. Halsey & Co.

NEW YORK SUPERINTENDENT OF BANKS TO RESIGN

It is rumored that Superintendent of Banks Van Tuyl of New York shortly will resign his position as head of the banking department of that state and that he will become connected with the Empire Trust Company of New York City.

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KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

After more than a month of complicated legal controversy in which certain policy holders sought to prevent the transfer, the Great Western Life Insurance Company of Kansas has received the sanction of both courts and the Missouri insurance department to consolidate with the International Life Insurance Company of St. Louis. The latter stages of the battle were marked by much bitterness and personal conflicts. The Missouri insurance commissioner brought to his assistance in the matter the insurance commissioners of Kansas, Oklahoma and Texas, sitting as a board to pass on the application to consolidate. The International will take over all the policies, liabilities and property of the Great Western, which has a capitalization of \$17,000,000. It means the end of the Great Western and under the agreement the stockholders of the Great Western will receive \$200 a share for their stock or they may elect to take three shares of stock in exchange in the consolidated company. The head offices of the Great Western Company will be moved to St. Louis and incorporated with those of the International.

The Great Western Life Insurance Company was organized in February, 1907, by O. L. Van Laningham of Kansas City. The sale of annuity certificates, a device to raise ready money soon after the organization had been completed, caused the courts of Nebraska and Oklahoma to oust the company from doing business in those states. A commission appointed by the Missouri insurance department to examine into the company's methods, criticized the manner of doing business. Charges of fraud were filed in the federal court and the resignation of Mr. Van Laningham followed. The insurance commissioner found that the directors, by a series of manipulations, had "skinned" the stock. C. S. Jobes, vice-president of the Pioneer Trust Company, was appointed receiver. The receivership was lifted in August, 1908, more complications resulted and the company has been in a turmoil ever since.

Addresses A. I. B.

Prof. C. E. Cockrell, of the Texas Christian University, addressed the Dallas, Tex., Chapter of the American Institute of Banking the night of December 6th, on "Wealth and Money." His address was part of the educational work of the chapter, which meets every Thursday night and has an address by some distinguished speaker twice a month. Prof. Cockrell studied political economy at Oxford University before going to Texas and his lecture was of pronounced interest. After the lecture the chapter adopted suitable resolutions on the death of Charles J. Grant, auditor

of the American Exchange National Bank of Dallas, who died recently. He was an enthusiastic member of the chapter and had done much to make it a success.

Central West Banking Development

The recent report of the secretary of the treasury throws an interesting light upon the development of the banking business in the states of the Central West. For the twelve years covered by the report—from March 14, 1900, to June 30, 1912—it is shown that 134 national banks were established in Kansas, 161 in Nebraska and 408 in Oklahoma. On the face of this report, Oklahoma seems to have outstripped her northern neighbors, but many of the Oklahoma banks were known as "wet weather" speculations and at the close of the twelve year period Oklahoma had fewer national banks to her credit than had been established in the same length of time. In Kansas there was more conservatism. That state at the end of the twelve years, had the banks with which she started and enough of the 134 new ones to bring the total number of national banks within her borders to 211. There were 93 new banks chartered by the government in Kansas in twelve years with a capitalization of \$25,000 each; eleven new banks with a capitalization of more than \$25,000, and less than \$50,000, and thirty new national banks with a capitalization of more than \$50,000, bringing the total capitalization of the 211 national banks in Kansas to \$12,017,500. In Oklahoma there were 408 new national banks chartered with a capitalization of \$13,640,000. But on June 30th of this year there were but 293 national banks in Oklahoma which were reporting to the comptroller. Nebraska, which made the best showing of any of the states under consideration, gained 161 new national banks and now has a total of 245, with a capitalization of \$16,240,000.

Kansas City Banks Growing

Although no radical changes are shown in the statements of the Kansas City national banks in comparison with the call of September 4th, last, the statements reveal the steady growth that has been manifest among these banks for years. Of the fourteen national banks in Kansas City reporting, all show a heavy increase in loans and discounts, cash and sight exchange and total resources. Deposits show a slight falling off which is accounted for by the increase in the loans and discounts item. Deposits and state banks and trust companies have increased so that the total of all deposits of Kansas City banks is higher than three months ago. The statement is a good one in the view of bankers. It shows that the banks have maintained an exceptional-

ly sound condition with a gratifying growth. The element of safety has not been lost sight of. The ratio of cash and sight exchange to deposits is above the actual requirements of good banking, with many millions to spare.

Omaha Banks on Sound Basis

The national bank call shows financial conditions in Omaha on a sound basis with an increase of the total deposits of \$3,831,705 over the showing made on December 5, 1911. Omaha bankers report plenty of money for business men at the opening of commercial activities with the coming of the new year. The State Bank of Omaha, the only state bank in the city, has \$181,016 on deposit, which is creditable when it is remembered that this institution is only a few weeks old. The bank deposits of various smaller cities in the Central West show that Lincoln, Neb., has \$11,300,000; Oklahoma City, \$12,000,000; Wichita, \$11,500,000 and Topeka \$10,000,000. These figures indicate steady growth and prosperity.

Bank President Resigns

George Clarence Smith, for the past four years president of the Peoples National of Kansas City, Kan., has resigned and O. W. Shepherd, one of the wealthiest men in that city, has been elected to succeed him. The circumstances leading to this change are rather mysterious and involve the charge that Mr. Smith is \$6,000 behind in his personal account with the institution. He has been in poor health for several months and recently, it is said, he was visited at his home by a committee from the bank's directory, with the demand that he resign. Later Mr. Smith went to a hotel in Kansas City, where he was found with his wrists cut. He was taken home and is now under the care of a physician. Mr. Smith had no bad habits, and it is not believed that his troubles at the bank were of sufficient moment to cause him to want to take his life. It is the general belief that he is merely completely broken in health. Mr. Smith came from Ottawa, Kan., four years ago, where he had been cashier of the First National Bank. He helped build up the Peoples National of Kansas City, Kan., and was very popular. His family have been prominent socially and his home was one of the best in the city.

Would Curb Professional Bank Promoters

Bank Commissioner John E. Swanger of Missouri, has become aroused to the danger that lies in the activities of professional bank promoters. Many of these promoters have been working in Missouri of late and the institutions started by them generally have been unsuccessful. Commissioner Swanger warns the public against buying bank stock from anybody except persons with whom the pur-

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

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chasers are acquainted. He has authorized a statement in which he says: "These professional promoters only seek to organize institutions for the purpose of the 'rake-off' on commissions which they get for selling the stock or, perhaps, in some instances, in order to get themselves a job for a little while to enable them to profit wrongfully by use of the bank's funds, and are not interested in the organization and conduct of a safe and solvent banking institution. I desire to stop professional bank promotion in Missouri. If there is any banking institution organized in any place in the state, it should be organized only to supply a well defined need, and not for the purpose of giving somebody a commission or a job."

Central West Notes

It now practically is certain that the sale of the stock of the Kansas City Stockyards Company has been consummated in Boston. A recent telegram from Kidder, Peabody & Co., indicates that 87 per cent of the stock has been registered for transfer, which is 12 per cent more than the original limit set by the negotiators. The time for sending in the stock for sale expired December 2d, but an extension has been allowed for thirty days. It is understood that the new corporation will be known as the Kansas City Stockyards Company of Maine, and that it will assume active control on January 1st. No change in the local management is contemplated.

George F. Orde, vice-president of the First National of Minneapolis, and Otto M. Nelson, assistant cashier of the First National of St. Paul, were in Kansas City recently to investigate the country clearing house system which has been in operation with the Kansas City Clearing House for several years. Mr. Orde said that the system in use in Kansas City would be recommended for adoption by the clearing houses of Minneapolis and St. Paul.

The United States supreme court has reaffirmed its decision that the Kansas corporation law, closing Kansas state courts to foreign corporations without a certificate to do business in that state, is unconstitutional. Two years ago this law was declared unconstitutional as a burden on interstate commerce.

Charles Snodgrass, bond clerk in the office of the state treasurer of Kansas, has resigned to accept appointment as cashier of the Citizens State Bank of Geneseo, Kan.

The vicissitudes of politics have deprived J. N. Dolley of his job as bank commissioner of Kansas. Mr. Dolley was chairman of the progressive committee and Kansas elected a democratic governor who has little use for the politically active Dolley. Mr. Dolley has gained a wide reputation as the author of the Kansas "Blue Sky" law which has been copied in a number of other states. His successor has not been appointed.

J. D. Lankford, state bank commissioner of Oklahoma, has made a call for the payment of the special assessment levied September 11th for the benefit of the Oklahoma guaranty fund.

Kansas City will sell on December 19th to the highest bidder, \$200,000 of waterworks bonds bearing 4 per cent, and \$200,000 sewer bonds bearing 4½ per cent. They are remnants of bonds voted in 1910 and will mature in 1930.

The controlling interest in the Sallisaw Trust and Bank Company of Sallisaw, Okla., has been sold by I. N. Nakimen, president of the concern, to John C. Gardner, secretary-treasurer of the Arkansas Valley Trust Company of Fort Smith, Ark.

A futile attempt was made recently to rob the Farmers Bank of Duncanville, Okla. Robbers forced the front door and the front office safe was sacked but all the money of the bank was in a vault which resisted all efforts to open.

Conway F. Holmes, vice-president of the Pioneer Trust Company of Kansas City, and one of the receivers for the Kansas Natural Gas Company, has just returned from an inspection of the company's properties in Kansas and Oklahoma.

Galveston, Tex., established a new export record in November. In that month it exported 802,411 bales of cotton, valued at \$51,400,955.

The First State Bank and Trust Company of Ennis, Tex., was organized last week with a capital of \$50,000. Business will start with the new year. The officers are T. T. Clark, president; J. Oran Carter, vice-president, and A. D. Brown, cashier.

The First State Bank of Pryor Creek, Okla., has been closed by the state banking board. The assets will reimburse the depositors. Bad loans which impaired the capital of the bank caused the failure. The bank has \$50,000 capital and surplus of \$5,000.

Watt Webb, president of the Missouri Savings Bank of Kansas City, has returned from a trip which took him through New Mexico and Arizona.

J. T. M. Johnson, president of the National Reserve Bank of Kansas City, is back from a business trip to San Antonio, Tex.

The Texas department of banking has approved the following reserve agents: For the Guaranty State of Timpson, the City National

of Dallas; for the State Bank and Trust Company of Tyler, the Third National of St. Louis; for the Smiley State of Smiley, the State Bank and Trust Company of San Antonio and the Alamo Trust Company of San Antonio; for the Guaranty State of Longbranch, the Commonwealth National of Dallas; for the Farmers State Guaranty Bank of San Benito, the State Bank and Trust Company of San Antonio; for the First Guaranty State of Quanah, the National Stockyards National of St. Louis; for the First State Bank of Pine Hill, the Commonwealth National of Dallas; for the Guaranty State of Douchette, the Texas Bank and Trust Company of Beaumont; for the Moscow State of Moscow, the Union National of Houston and the South Texas Commercial National of Houston; for the Marion State of Marion, the Third National of St. Louis; for the Silsbee State of Silsbee, the First National of Houston; for the Alfalfa State of Lelia Lake, the First National of Fort Worth and the Citizens State of Memphis; for the Rosebud State of Rosebud, the First National of Cameron; for the Guaranty State of Osceola, the Hanover National of New York and the First National of Fort Worth.

Among the out-of-town bankers who visited Kansas City's financial district last week were: Colonel William Steele, president of the Farmers and Commercial Bank of Holden, Mo.; T. J. Sweeney, president of the Peoples State Bank of Lawrence, Kan.; J. D. Waters, cashier of the Peoples State Bank of Bonner Springs, Kan.; H. R. McCutcheon, president of the Bank of Holden, Mo.; Ralph Snyder, president of the Jefferson County Bank, Oskaloosa, Kan.; J. T. Pringle, president of the First National, Burlingame, Kan.; J. C. Campbell, president of the First National, Nowata, Okla.; J. E. Piersol, vice-president of the Oklahoma State Bank, Oklahoma City, Okla.; J. G. Bridwell, cashier of the Farmers State Bank, Belpre, Kan.; W. G. Tullers, cashier of the State Bank of Rantoul, Kan., and S. A. Wood, cashier of the Peoples State Bank of Lawrence, Kan.

FARMERS NATIONAL, HILLSBORO, TEXAS

Farmers National of Hillsboro is a bank possessing surplus and profits in excess of its capital. The face of its last statement contains a beautifully embossed reproduction of a roll of honor medal. The institution is capitalized at \$50,000, has surplus and net profits of \$71,707.17 and deposits of \$408,864.05. It is the oldest bank in Hill county. Officers are W. M. Williams, president; E. S. Davis, first vice-president; Tom Hill, second vice-president; W. L. Embree, cashier; Marion Clyette, Sam H. Anderson and James Pritchett, assistant cashiers. Directors are Sam H. Anderson, E. S. Davis, W. L. Embree, Tom Hill and W. M. Williams.

KENTUCKY BANKER RESIGNS

James L. Watkins, vice-president of the Union Bank and Trust Company of Lexington, Ky., has resigned his position with that institution and hereafter will devote his time to private enterprises.

The Iowa Loan & Trust Company of Des Moines contemplates a complete remodeling of its building on Fifth Street, Des Moines.

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"Uncle Sam's Route"

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Arguments for national banks making loans on farm lands were advanced at the opening session last week of the fourth annual meeting of the Northern Minnesota Development Association in Crookston, by Senator A. D. Stephens, leading banker and former president of the state association.

"We are sending a commission to Germany," said Mr. Stephens in his address of welcome, "to hunt up a word of twenty-four letters to help our farmers with a new banking system. It would be an insult to most any of you to say that you haven't as good heads as the Germans. Many of you may not know that lying in the pigeon-holes at Washington is an amendment which, if used, will answer the proposition better than the German method with all its complexities. It simply allows the national banks to make loans on farm lands. That amendment will release the best part of \$800,000,000 for use in developing our agricultural resources."

Second Arrest in Winnebago Case

John Sharp, president of the State Bank of Commerce, Winnebago, Minn., was arrested last week at Dexter, Minn., on a warrant sworn to by W. J. Regan, bank examiner, at the instance of the state superintendent of banks. The charge is falsifying statements and obstructing the examiner in his duties. H. W. Parker, vice-president and cashier, returned from West Point, Ga., where he had remarried and lived under an assumed name, was indicted by the grand jury, charged with having embezzled \$2,000 from the bank.

Buy First National of Mahnomen

With stockholders practically the same as those of the Mahnomen Land Company, Redwood county business men have bought the First National of Mahnomen, Minn. Among them are J. C. Jackson, president Farmers and Merchants, Morgan; J. M. Hardy, cashier Security of North Redwood; C. W. Heineman,

and H. F. Grassman, cashier and assistant, Citizens, Fairfax; A. E. Carver, cashier State, Fairfax; Albert Pfaender, New Ulm; J. B. Keefe of North Redwood, B. C. Schueller and Thomas Arnett of Redwood Falls, L. H. Redding of Lamberton and Frank Murray, Bird Island.

Receive New Coins for Christmas Distribution

Nearly \$50,000 new coins were received this month by commercial banks of Minneapolis for use as Christmas gifts by customers, and change in stores. A limited supply of dollars and half dollars fresh from the mint is available. One bank has sent back one hundred \$1,000 bills for replacing the upper right hand corners. The bills have not been put in circulation since printed, but counting them has worn the corners, the bank officials report.

H. J. Schwartz Released

H. J. Schwartz, Royalton banker convicted of embezzlement and sentenced to the Minnesota reformatory on an indeterminate sentence, was released December 11th, due to a commuting of the sentence by the state board of pardons to ten months. Schwartz is said to be planning to go into the hotel business in Canada.

Farmer Banks in Washington

With presidents, directors and depositors from the ranks of the farmers, Whitman county banks in Washington are said to be pretty nearly controlled by the ruralites. The farmers own 90 per cent of the real estate and improved city property of the county, made wealthy, as they have been, by wheat and hog raising. The capitalization of the farmer banks is \$12,000,000. The smallest of the thirty banks in the county is \$200,000 capital. Deposits amount to more than \$35,000,000 and most of the money is loaned back to the farmers on mortgages and invested in bonds. The banks are able to send east to buy bonds. It

is said the value of the rich lands is advancing faster than the interest can be computed. Although the farmer-bankers are not engaged regularly in the banking business, they keep close watch of affairs and meet frequently. They select active officers from the East and pay them good salaries. Employees of the banks, it is reported from Pullman, Washington, are well-to-do, own fine homes in the towns and run automobiles. So attractive are the positions that a waiting list is on file. The farmers have organized also to pool grain, fruit and stock and sell on a co-operative basis.

To show the steady growth of the Dakotas and Minnesota in fifteen years, notwithstanding short crops in 1910 and over into 1911, S. H. Bezoier, assistant cashier of the Security National, has prepared figures to show constant increases in bank deposits, except for one year in South Dakota. Minnesota and North Dakota both maintained gains, notwithstanding the fact that the latter state lost heavily in wheat and flax in 1910. The decline in South Dakota was only from \$90,000,000 to \$78,000,000 with a quick recovery. The figures are as follows:

MINNESOTA

Year	Total Number of Banks	Total Deposits
1898	216	\$59,370,000
1899	239	74,118,000
1900	267	76,083,000
1901	300	87,800,000
1902	385	111,558,000
1903	450	113,528,000
1904	563	124,406,000
1905	636	142,583,000
1906	690	166,568,000
1907	755	179,875,000
1908	874	195,975,000
1909	903	269,948,000
1910	911	297,080,000
1911	1,009	343,003,000
1912	1,015	356,372,000

SOUTH DAKOTA

Year	Total Number of Banks	Total Deposits
1898	190	\$ 9,713,000
1899	195	12,946,000
1900	207	14,732,000
1901	230	19,194,000
1902	276	27,988,000
1903	327	27,512,000
1904	328	29,220,000
1905	352	33,427,000
1906	406	42,764,000
1907	465	53,386,000
1908	515	61,480,000
1909	567	78,830,000
1910	578	90,847,000
1911	631	78,559,000
1912	630	85,444,000

NORTH DAKOTA

Year	Total Number of Banks	Total Deposits
1898	111	\$ 9,100,000
1899	124	10,026,000
1900	155	11,222,000
1901	168	12,456,000
1902	203	19,012,000
1903	262	22,476,000
1904	292	22,311,000
1905	339	27,630,000
1906	456	36,663,000
1907	515	41,884,000
1908	555	47,526,000
1909	596	58,753,000
1910	699	71,218,000
1911	715	72,554,000
1912	717	73,160,000

Northwest Notes

The Swedish American State Bank of St. Paul has been organized with \$25,000 capital and \$100,000 limit. The highest indebtedness allowed in the charter is \$1,000,000. The incorporators are Robert Earl, Lewis Swenson, Edward Swenson, P. M. Reagan, J. O. Melin, C. H. Lindeke, Jr., and E. R. Engstrom.

The Farmers and Merchants State of Erskine, Minn., will have \$12,500 capital. Incorporators are G. K. Espeseth, C. A. Thompson, Gunda Stenerson, Casper Haugen, F. C. Paine, O. T. Rovang, T. K. Berge, C. A. Ness, H. T. Gilbertson, C. O. Carlson, A. E. Johnson, John Clementson, Erskine; A. D. Stephens, Crookston.

The Farmers State of Raymond, Minn., has \$10,000 capital stock. The surplus is \$2,000. Russel Spicer is president and H. C. Feig is cashier.

Banks of Fargo in their prosperity are said to reflect the general banking condition in North Dakota. The deposits on the last call show \$7,000,000, an increase of almost \$1,500,000 since last year.

NEW BOOK OFFERINGS

"Greyfriars Bobby," by Eleanor Atkinson, is from the press of Harper Bros., New York. This is a brilliant story and aims to be in the canine world all that "Black Beauty" was to horse lovers. The tale is given out as "true" to the last word. It may bring the tears in profusion, but in every case smiles will follow. It's a rare treat.

Illinoisans in particular, and all westerners in general, will like "Lincoln's Own Stories," compiled and edited by Anthony Gross and published in attractive form by Harper Bros., New York. Stories of, by and attributable to Lincoln, have been going the rounds of American light and heavy literature for many years past. The process is likely to continue until the end of time—or, at least, until some such wondrous man, with parallel gifts for apt anecdote, shall again arise as guardian and savior of the republic. A mighty slender chance, that—yet nature's molds are infinitely protean,

and with each generation comes a fresh crop of stories. These are not new, except so far as their novelty of adaptation lends renewed currency. About the worst that could be said of Lincoln's fashion of cutting argument short with anecdote, is that he set up a mannerism into which nearly all public men after him fell, either eagerly or reluctantly. Not until Lincoln had made the anecdotal method historical was there profusely evolved the chronic story-teller in law, in business, in the doctor's shop or in the parsonage.

"Home Life in Germany," by Mrs. Alired Sidgwick, comes from the Macmillan press, and no book could be pleasanter to read nor give more truthfully the home life of the Germans. A third edition proves its popularity, and it deserves to be liked. It is particularly complete in the variety of phases of domestic and social life which it dwells upon. Children, schools, women, girlhood, marriage, housewives, servants, food, hospitality, amusements, inns and restaurants, life among the poor, the cities—all are discussed in a conversational and intimate way. The author's good humor, joined with her common sense candidness, captivates the reader. There is no attempt at an interpretation of the broader and deeper life of Germany, and this may disappoint some readers. But as a description of home life the book is most interesting and entertaining.

"The Freshman" is the book for the boy. It is by James Hopper, published by Moffat, Yard & Co., New York, and no better study of the psychology of student athletics is to be found in fiction. The development of a first class football player out of a "prep" school student by the right sort of trainer, as told by the author, is a revelation of what can be done in this line of education. Those who oppose college athletics will find in "The Freshman" an answer to more than one of their arguments.

"Winning the Southwest," by Glenn H. Bradley, is published by A. C. McClurg & Co. of this city and is another book for the boy. Bradley gives his portrayal through detailed stories of the conquests of seven of the famous leaders in the building of this designated empire of free country. These heroes are Kit Carson, famous scout; Frank R. Stockton, a foremost leader of the navy, who first proclaimed American rule in California. Then Richard Wootton, better known as "Uncle Dick" Wootton. "Uncle Dick" was a Southern man with sympathy for the Confederate cause, but just the same he was a mighty man, who made history in Colorado and New Mexico. He lived more than forty years on the frontier and was prominent in the advance of civilization. Sam Houston, a brilliant figure in our national history, a monument of adventurous valor in Texas and in other Southern states, reckless fighter and a splendid citizen. Stephen W. Kearney, who won New Mexico for the Union and assisted in the conquest of California. George A. Custer, the indomitable warrior against Indians and a martyr of national progress. John C. Fremont, a splendid figure in the history of the West. These stories of heroes brim with history of the Southwest. There are fine portraits of these heroes in the book.

An interesting story of Ireland has flowed from the G. A. Birmingham pen:—Birmingham is the Rev. James O. Hannay, late of Connaught parish. In "Priscilla's Spies" (Geo. H. Doran Company) there is the same ebullient spirit, ingenuity of invention and rattle-brained Hibernian humor that have raised the Birmingham stories to the rank of minor Irish classics.

The story tells of Priscilla's discovery of strangers camping on an island in Rosnacru



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How Priscilla, with much aid from turbulent natives, brings about reconciliation with stern and wildly pursuing parents is the storyteller's fanciful theme. It is all gay, fanciful and elusive, leaving the reader finally to wonder what the mischief he has been laughing at.

WALTER T. COLLINS

Walter T. Collins, formerly with the Chicago office of Lee, Higginson & Co., now is associated with A. B. Leach & Co., as their sales representative in Indiana and Ohio.

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Pacific Northwest Banking News

"Business now is active everywhere throughout the East, not only in manufacturing and distributing lines, but in the building trades and all other industries," said R. B. Paterson, president of the Spokane Dry Goods Company, a \$1,500,000 concern, on his return from a six-weeks eastern trip.

"I observe that Spokane is getting an increasing share of the prosperity waves sweeping across the country, and high tide is sure to reach us ere long," added Mr. Paterson.

"The coming change in administration with the certainty of tariff revision seems not to create any sense of alarm, the general thought being that the forthcoming bill will be substantially the same as that passed at the last session of congress and subsequently vetoed by the president. Thus the industries affected by the changes in the important schedules covering the products of wool, cotton, and metals, already are pretty well understood and anticipated. The New York dry goods market is more active than it has been since 1907."

For the second year in succession the Spokane & Eastern Trust company closed its fiscal year November 30th, with interest on no mortgages in default. The company does an extensive loan business in the Spokane country and at the close of the fiscal year has \$2,000,000 of loans in force. The interest on all the loans had been paid when the books were closed November 30th.

"The fact that the company has closed the year with no interest payments in default," said R. Lewis Rutter, general manager and secretary of the company, "indicates not only that the borrowers are well selected, but that they are prosperous. They must have money or they could not pay as they have done. The unique position of the company in this regard is a sure indication of good times in the sections where our loans are placed and further indicates that there is no scarcity of funds in the Spokane country."

A Thanksgiving day announcement was that Spokane has been made Pacific Northwest headquarters of the Holt Manufacturing company, builders of combined harvesters and "caterpillar" gas traction engines. The company has leased a five-story warehouse building and a site on which construction of a five-story office building has been started. It does a million-dollar business in Spokane annually.

Thomas H. Brewer, president of the Fidelity National, has started a collection of large vegetables grown in the Spokane country. He has a White China radish weighing 17 pounds, grown without irrigation at Genesee, Idaho. The radish is 26 inches in circumference and 20 inches long. A cabbage from the same place weighs 23 pounds and is 18 inches in diameter.

Dividends of \$100,000 from two mines in the Spokane country are being distributed at the office of Finch & Campbell in Spokane. A dividend of \$50,000 is disbursed by the Standard Silver-Lead Mining Company, Silverton, B. C., bringing that mine's total 1912 dividends to \$425,000. Another \$50,000 is paid

by the Kendall Gold Mining company, Montana. This mine has distributed \$1,475,000 to date.

Deposits in the Spokane postal savings bank November 30th totaled \$57,242, a gain of \$3,707 during the month. Postmaster W. P. Edris has asked for improved facilities for this department.

Spokane's 16 banks gained \$801,459.97 in deposits the last year, up to the time of the statement issued November 26th, on call of the comptroller of the currency. Total deposits are \$32,478,034.52, as against \$31,676,574.55 December 5, 1911. A healthy increase is shown in loans, indicating that the banks are loaning money readily on good securities. The details follow:

DEPOSITS	
Old National bank.....	\$9,278,791.52
Traders National bank.....	5,210,242.93
Exchange National bank.....	4,829,246.87
Spokane & Eastern Trust company.....	4,108,049.97
Fidelity National bank.....	2,108,063.73
Northwest Loan & Trust company.....	1,032,075.30
Scandinavian-American bank.....	746,682.60
Washington Trust company.....	740,384.30
National Bank of Commerce.....	627,701.29
Farmers & Mechanics bank.....	401,622.24
Union Trust & Savings bank.....	604,763.84
Hillyard State bank.....	272,280.59
Spokane State bank.....	199,943.05
First National bank of Hillyard.....	124,199.88
Union Park bank.....	112,074.30
Bank of Montreal.....	2,081,912.11
Total November 26, 1912.....	\$32,478,034.52
Total December 5, 1911.....	31,676,574.55

LOANS AND DISCOUNTS	
Old National bank.....	\$6,784,096.50
Traders National bank.....	4,063,107.58
Exchange National bank.....	3,739,557.06
Spokane & Eastern Trust company.....	2,389,154.48
Fidelity National bank.....	1,455,420.56
Northwest Loan & Trust company.....	820,339.93
Scandinavian-American bank.....	640,105.08
Washington Trust company.....	681,807.38
National Bank of Commerce.....	569,582.47
Farmers & Mechanics bank.....	325,350.48
Union Trust & Savings bank.....	546,194.12
Hillyard State bank.....	176,393.18
Spokane State bank.....	176,775.51
First National bank of Hillyard.....	98,634.91
Union Park bank.....	81,698.33
Bank of Montreal.....	137,864.22
Total November 26, 1912.....	\$22,686,082.89
Total December 5, 1911.....	20,706,546.93

CASH ON HAND AND DUE FROM BANKS	
Old National bank.....	\$2,905,728.39
Traders National bank.....	1,951,604.13
Exchange National bank.....	1,569,133.36
Spokane & Eastern Trust company.....	1,135,078.05
Fidelity National bank.....	717,283.38
Northwest Loan & Trust company.....	303,745.40
Scandinavian-American bank.....	218,006.19
Washington Trust company.....	227,522.73
National Bank of Commerce.....	232,408.62
Farmers & Mechanics bank.....	128,463.65
Union Trust & Savings bank.....	99,274.68
Hillyard State bank.....	134,117.22
Spokane State bank.....	43,201.21
First National Bank of Hillyard.....	47,184.55
Union Park bank.....	34,083.76
Bank of Montreal.....	2,099,770.05
Total November 26, 1912.....	\$11,852,605.37
Total December 5, 1911.....	10,884,596.28

SURPLUS AND UNDIVIDED PROFITS	
Old National bank.....	\$ 494,516.45
Traders National bank.....	335,139.73
Exchange National bank.....	378,737.39
Spokane & Eastern Trust company.....	347,402.11
Fidelity National bank.....	62,764.32
Northwest Loan & Trust company.....	46,093.66
Scandinavian-American bank.....	24,124.54
Washington Trust company.....	54,133.45
National Bank of Commerce.....	26,427.84
Farmers & Mechanics bank.....	6,674.43
Union Trust & Savings bank.....	104,864.91
Hillyard State bank.....	20,198.31
Spokane State bank.....	65,698.81
First National Bank of Hillyard.....	3,766.94
Union Park bank.....	3,432.46
Bank of Montreal.....	17,964.33
Total November 26, 1912.....	\$1,981,939.73
Total December 5, 1911.....	1,838,575.49

EDMONTON NEWS

Two hundred and forty thousand dollars is the extent of a grant, made by the city council to the sisters of the Misericordia Hospital, to be sanctioned by the ratepayers of Edmonton at an election to be called for some time in December. The sisters have agreed to give the city a representation of three members on a board of seven, and to give a mortgage to the municipality on the site to be occupied by the hospital building. This contains a clause to the effect that if the lands or buildings cease to be used for hospital purposes the grant becomes a loan, payable upon demand.

Among the firms buying sites to locate branch houses in Edmonton are the Massey-Harris Company, implements; The Canadian General Electric Company of Toronto; Pochontas Trading Company, head offices; Franco-Canadian Investment Company, Ltd., head offices, capitalization, \$3,000,000; the General Construction Company; Western Canada Co-operative Supply Company, head offices, and the London and Glasgow Trust, Ltd., head offices, capitalization, \$1,000,000.

The Quebec Bank has bought the Norwood Building in Jasper Avenue, between Howard and McDougall Avenues, for \$175,000 and will open a branch there. The frontage is 50 feet. So far no instructions have been given by the bank, regarding its intentions in connection with a new building. The ground floor is



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Assistant Cashiers

occupied by two stores and will have to be altered to suit the needs of a bank.

The Royal Bank of Canada will open branches in Norwood and South Edmonton next January. For the present these will occupy rented premises, but it is expected that buildings will be erected. During the last twelve months the bank's business has had commensurate growth with the general expansion of the city. A year ago the staff numbered thirteen. To-day there are thirty-two. The absorption of the Traders Bank by the Royal Bank was brought about last summer.

Count Francis de Bosdari, of Rome, Italy, who arrived in America four months ago, will make his home in Edmonton for a year to study Canadian financial and real estate conditions. He spent several months in a brokerage office in Montreal before coming to Edmonton.

H. J. Logan, K. C., liberal representative for Cumberland County, Nova Scotia, in the federal house from 1896 to 1908, when he retired on account of failing health, has come to Edmonton as the representative of British capitalists, who will make heavy investments in the city and country. He has opened offices in the Rudyk Building.

Western Canadian Investment and Development Company, Ltd., has been incorporated under a federal charter, with head offices in Edmonton and a branch in Toronto. The officers are J. J. English, retired merchant of Hastings, Ont., president; Edward Gee, South Edmonton, vice-president; Henry R. Mountfield, Edmonton, secretary-treasurer; H. Bewley Stevens, manager. Other directors are: G. H. M. Baker, president of Baker Lumber Company, Lindsay, Ont., and Dr. Mellow, and Dr. J. D. Berry, of Port Perry, Ont.

Six hundred and ninety-eight miles of steam lines were constructed in Alberta during the first ten months of 1912, according to a statement prepared by the provincial department of railways. The present mileage in operation in the province is 2,798, as against 2,100 miles in 1911. The mileage in previous years follows: 1910, 1,782; 1909, 1,505; 1908, 1,366; 1907, 1,284; 1906, 1,267; 1905, 1,060. The increase from 1909 to 1912 is without a parallel in the Dominion of Canada.

The Canadian Northern Railway company actually built during the ten months of 1912 a greater mileage than the total of all previous years. At the close of 1911 the road had 329 miles of line. This year it has 792 miles, an increase of 463 miles for the year. The Grand Trunk Pacific built 235 miles, giving the company 619 miles in the province.

The Canadian Northern Railway and the branch line company have 448 miles of grade ready for steel. The Grand Trunk Pacific has 34 miles, and the Edmonton, Dunvegan & British Columbia has eight miles of steel laid and 70 miles of continuous grade completed. Track laying will continue throughout the winter at the rate of 6,500 feet a day.

The work that actually has been completed is the best evidence of the growth and progress of the province of Alberta, which to-day has a population of 500,000, as compared with 372,000 in 1910. This railroad construction also is an index of the development in commercial, industrial and agricultural lines and the resultant prosperity of the cities and towns.

The Canadian Pacific Railway company and the Alberta Railway and Irrigation company, which was absorbed by the first named early in 1912, controlled the situation in the province in 1905. The Canadian Pacific operated 946 miles of lines and the Alberta Railway and Irrigation company had 114 miles. The Canadian Northern entered the field in 1906, when it built 178 miles of road, which was in-

creased to 220 miles the following year. The Canadian Pacific also made extensions bringing its mileage to 1,320.

The Grand Trunk Pacific crossed the eastern provincial boundary in 1908, adding 40 miles to the total trackage in Alberta. It was the only company that carried on new construction that year. The company built 89 miles in 1909, when the Canadian Pacific increased its mileage to 1,042. The Grand Trunk Pacific added 164 miles to its main line and built 118 miles of branch roads in 1910, bringing the total of all lines to 1,782 miles. The Grand Trunk Pacific completed 384 miles in 1911, while the Canadian Northern built 329 miles. To-day the Canadian Pacific has 1,387 miles.

WALKER BROTHERS OCCUPY NEW BUILDING

Officers and directors of Walker Brothers, bankers, Salt Lake City, Utah, issue an invitation to their correspondents and friends to meet them in their new banking quarters in the Walker Bank building. This is one of the old financial institutions of Utah, having been organized in 1859. The new quarters, which were ready for occupancy December 9th, are in keeping with the character and growth of the banks' business. The structure is a modern steel office building, in which the bank will occupy practically the entire first floor. This institution is capitalized at \$250,000, carries surplus and undivided profits of \$200,000, with a line of deposits amounting to three millions. M. H. Walker, the president, is a pioneer in the development of Utah, and a prominent factor in the commercial and financial life of the state. L. H. Farnsworth is vice-president; E. O. Howard, cashier, and J. H. Walker and W. E. Lake, assistant cashiers. When passing through Salt Lake to or from the coast, it will be worth while to stop off and see the new home of Walker Brothers' bank.

SEEKS TO PREVENT DEFAMATION OF CREDIT

Senator Works of California has introduced a bill in congress, the purpose of which is to punish people who endeavor to destroy the credit of any individual, partnership or corporation. Violation of the proposed law is punishable by a heavy jail sentence and fine. Senator Works proposes to amend the penal code of the United States, approved March 4th, 1909, by adding the following to section 245:

"Any person who shall, himself, in his own name, or for or in the name of some other person, corporation, association or co-partnership, by threat, intimidation, persuasion, or otherwise prevent any other person, corporation, association or co-partnership from securing loans or credit, or otherwise securing financial aid in organizing or carrying on any lawful interstate business; or who shall by misrepresentation or otherwise destroy, or attempt to destroy, the credit of any person, corporation, association or co-partnership engaged in such interstate commerce; or who shall wilfully and for the purpose of preventing or hindering the organization or prosecution of any such lawful business by another, or destroying the same, commence or prosecute any action at law or in equity in any of the courts, state or federal; or who shall knowingly or wilfully conspire or confederate with any other person, corporation, association or co-partnership to do, or otherwise obstruct or prevent the carrying on of any lawful interstate business by another, shall be guilty of a felony and be fined not less than one hundred nor more than \$10,000, and be imprisoned at hard labor not less than one or more than fourteen years."

(OFFICIAL PUBLICATION)

Report of the Condition of

The Franklin Trust & Savings Bank

Located at Chicago, State of Illinois, before the commencement of business on the 27th day of Nov., 1912, as made to the Auditor of Public Accounts of the State of Illinois, pursuant to law.

RESOURCES

1. LOANS:		
Loans on real estate.....	\$ 81,050.00	
Loans on collateral security.....	202,431.12	
Other loans and discounts.....	331,540.26	\$615,021.38
2. OVERDRAFTS.....		448.19
3. INVESTMENTS:		
State, county and municipal bonds.....	5,000.00	
Other bonds and securities.....	119,600.00	124,600.00
4. MISCELLANEOUS:		
Accrued interest not collected.....		233.22
5. DUE FROM BANKS:		
State.....	88,173.54	
National.....	52,144.54	140,318.08
6. CASH ON HAND:		
Currency.....	18,882.00	
Gold coin.....	1,015.00	
Silver coin.....	2,424.50	
Minor coin.....	789.66	23,111.16
7. OTHER CASH RESOURCES:		
Checks and other cash items.....	231.85	
Collections in transit.....	26.35	258.20
TOTAL RESOURCES.....		\$903,990.23

LIABILITIES

1. CAPITAL STOCK PAID IN.....		\$200,000.00
2. SURPLUS FUND.....		50,000.00
3. UNDIVIDED PROFITS.....	\$ 22,901.03	
Less current interest, expenses and taxes paid.....	8,262.93	14,638.10
4. DEPOSITS:		
Time certificates.....	7,140.96	
Savings, subject to notice.....	75,841.56	
Demand subject to check.....	456,248.92	
Demand certificates.....	178.00	
Certified checks.....	680.72	
Cashier's checks.....	73,145.44	613,235.60
5. DUE TO BANKS, including certificates of deposit:		
State.....	11,240.09	
National.....	14,876.44	26,116.53
TOTAL LIABILITIES.....		\$903,990.23

I, Edgar F. Olson, Cashier of The Franklin Trust & Savings Bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.

EDGAR F. OLSON, Cashier.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK }

Subscribed and sworn to before me this 7th day of Dec., 1912.
[SEAL] ROBERT R. ENGELS, Notary Public.

ABOLISH COLLECTION CHARGES

The New York Clearing House Association has voted to abolish collection charges on checks originating in New York, New Jersey, Connecticut, Rhode Island and Massachusetts. The practice of charging for the collection of out-of-town checks by clearing house banks was a subject of inquiry last spring by the Pujo committee of the house of representatives, investigating the so-called money trust. It was alleged that the profits of the clearing house banks on such collections amounted to \$50,000,000 annually.

INCREASE NUMBER OF DIRECTORS

The Bank of Montreal has increased its board of directors from twelve to fourteen. One of the new directors elected at the annual meeting succeeded the late Sir Edward Clouston. The three elected were: C. B. Gordon, president of the Dominion Textile Co.; Huntley Drummond and Forbes Angus, a son of the president of the bank.

DEPOSIT DECREASE DUE TO CROP MOVEMENT

That the decrease in deposits of Chicago's banks, as shown by the recent call and as compared with the figures exhibited at the preceding call, may be attributed to financing the crop movement, is the opinion of leading bankers and financiers. It is believed that a large volume of this money soon will be returning and that the banks again will be in an easy condition.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
ALAN C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

BUMPER CROPS FOR IOWA

Iowa raised almost \$400,000,000 worth of crops last year. The largest crop was corn, with 421,368,000 bushels valued at \$151,698,674. Oats is second with 256,949,700 bushels, worth \$55,876,419. Hay is a close third with 5,850,740 tons, valued at \$55,275,723. Iowa planted 336,286 more acres of corn last year than ever before. The total acreage was 9,199,610.

Des Moines, Dec. 12th.—Two bank calls in Iowa, one for the savings banks for November 20th and one for the nationals for November 28th, have resulted in considerable figuring on the part of the bankers of Iowa. It is apparent that the deposits will not show up well in the compilation following these calls, particularly with the national banks in the larger cities. There has been a demand for money that is not unusual at this time of year but which works against the showing bankers would like to make. However the four national banks in Des Moines rejoice in the showing that their deposits on November 28th this year totaled approximately \$15,603,938 as against \$14,611,435 at the time of the corresponding call a year ago. After the first of the year the deposits, it is thought, will again mount up. Just at present considerable money is needed in Iowa to handle the movement of the crops.

"Hair Cut Loses Case"

E. D. Rayburn, vice-president of the First National at Montezuma and one of the well-known bankers of central Iowa, gave Assistant Attorney-General, Henry Sampson, a quarter with which to get his hair cut and thereby hangs a tale. The merchants at Montezuma gave away an automobile as a stimulus to trade. Later the grand jury got after them and indicted over fifty of them including Banker Rayburn. Attorney-General Cosson, determined to push the cases, as he desired an opinion upon the raffle laws of the state. Accordingly he sent his assistant, Sampson, to Montezuma. The first case tried resulted in a complete acquittal for the accused defendant, R. J. Smith, who happened to draw the automobile. And now Sampson says that, like his illustrious predecessor of Biblical lore, he lost his strength when he had his hair cut. Had he not taken the quarter tendered him by Mr. Rayburn and had he preserved his locks, he would have won his case—at least, that is what he says. In the meantime, Mr. Rayburn is a hero at Montezuma and he is getting many times the value of the quarter in good advertising.

Good Roads Aid Business

Ellis Robb, national bank examiner for northwestern Iowa, was interviewed while in Des Moines recently. Mr. Robb, like the majority of the bankers of Iowa, is an enthusiast on the subject of good roads. He believes that good roads add immeasurably to the business done in any city or town in Iowa. He calls attention to the alertness of the business men in Eldora, his home town, and asserts that the tremendous business done there can be traced directly to the work that has been done in putting the highways into that town in first-class condition and keeping them so.

Would Pay Convicts Wages

J. E. Varnum, cashier of the Eldon Savings, was in Des Moines last week talking about the convict labor problem—a subject that is prominent in Iowa just now in view of the coming

The First National Bank DAVENPORT, IOWA

is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

session of the legislature, which is expected to take some sort of action. Mr. Varnum formerly was instructor in the state reformatory at Elmira, N. Y. He attacks the methods that prevail in Iowa on the ground that the state could be making money instead of losing it as at present. Not only would the state lessen taxation but it would in addition be teaching the convict some means of livelihood if it would adopt a system of paying the convicts what their labors are worth and selling the output in the open market, he says.

Bank Merger

A merger of the Iowa Loan and Trust and the Central Trust of Des Moines is contemplated. The Iowa Loan and Trust is one of the oldest and strongest financial institutions in the city, with capital of \$500,000 and deposits of over \$1,000,000. G. B. Hippee, Simon Casady and J. D. Whisenand are heavy stockholders in the institution while J. D. Whisenand, E. E. Clark, Lee B. Bartholomew and Simon Casady are heavy stockholders in the Central Trust.

Banker Accused

It seems that the indictment of H. M. Martinson, former cashier of the First National at Lake Mills, has caused more than ordinary gossip in that city. The federal grand jury accuses Martinson of making false reports to the comptroller of the currency at Washington. Martinson went into the bank following the withdrawal of P. M. Joice and much of his work was along the line of straightening out the tangle left by Joice. After he quit the Lake Mills institution he acted for president Paulson of the First National at Albert Lea for awhile and was successful in some realty ventures. He is not now with that institution, however.

Arrest Alleged Forger

J. E. Dufort was arrested at Des Moines last week charged with forgery of several checks drawn on the Des Moines National. The checks were not large in number, but when Dufort was searched the police found \$475 in his pocket, so the officers say. The checks were drawn on the above institution and Dufort apparently was getting ready to pass them one at a time. Dufort was representing a magazine while in Des Moines. It is

claimed that he did time in Manitoba, Canada, for forgery.

Bankers Presented with Vases

One of the pleasant features connected with the opening of the new building of the Central State in Des Moines last week was the presentation to President Simon Casady and vice-president J. D. Whisenand of two handsome silver vases by G. E. MacKinnon and Fred Walker, president and cashier of the Mechanics Savings which is also in a new building across the street. When Mr. MacKinnon reached Des Moines seventeen years ago, he went to work for the Citizens National but left there two years later to become paying teller for the Des Moines Savings under Mr. Casady. Mr. Walker was then a messenger boy in the institution. Later Mr. MacKinnon went to the Central State as assistant cashier and took Mr. Walker with him. Mr. Whisenand later promoted both of them. When Mr. MacKinnon resigned as cashier, Mr. Walker succeeded him. Now Mr. MacKinnon is president of the Mechanics and Mr. Walker is his cashier. But neither has forgotten the training received under the two pioneers, Simon Casady and J. D. Whisenand, and the cups are tokens of appreciation as well as evidences of continued friendship.

Prominent Bankers Die

Two well-known Iowa bankers died last week. Peter Kiene, a leading Dubuque financier, was one and John W. Dobbin, president of the First National at State Center, was the other. Mr. Kiene was 66 years old and prominent as chairman of the board of directors of the American Bankers Insurance Co., of Chicago. Death was due to paralysis. Mr. Dobbin was 80 years old and had been ill with pneumonia.

Praises Iowa Farms

E. D. Hulbert, vice-president of the Merchants Loan and Trust of Chicago, addressed the Des Moines Bankers Club at its December meeting. Mr. Hulbert was scheduled to speak at an earlier meeting but was forced to cancel the prior date. He spoke upon currency questions and did not speak especially highly of the Aldrich plan. In an interview Mr. Hulbert paid high compliment to Iowa farms and farmers. He declared they are the salt of the earth. "The bank with which I am associated has about \$5,000,000 outstanding in loans to the farmers of Iowa," he said. "We never have had to foreclose on an Iowa farm loan nor have we had any trouble collecting interest on the loans made to this class of citizens."

Interesting Legal Question

The question of whether a county can collect taxes from a bank after they have been refunded to the institution is an interesting question that has come up to the supreme court from Adair county. The title is Adair County vs. W. F. Johnston and First National of Fontanelle. The bank paid taxes on government bonds. Then the courts held that such taxes cannot be assessed. Thereupon the supervisors refunded the money to the bank. Afterwards the supervisors began to think they had acted hastily and they sought to recover the money. Judge Fahey held in the district court that since the bank had paid an amount irregularly assessed, there was no recourse. However, the attorney-general holds that the bank voluntarily paid the tax in the first place and that it is stopped from seeking to collect money which already has been paid.

Postal Banks Lose Deposits

The complaint is general from Iowa post office banks that the war in Europe is decreasing the deposits in these institutions. For instance, Mason City post office reports a falling

off of \$3,000. The legitimate banks also are feeling the effects, but it is thought that the postal banks are suffering more in proportion.

Alleged Bank Robber May Be Murderer

Thomas Robinson, arrested at Fort Dodge for the murder of Marshal E. B. McFarland of Gowrie recently, is believed to be wanted for bank robbery at Marysville, Kas. Kansas officials believe they can "stick" Robinson for fifteen years in Kansas but the Iowa authorities believe they have a case that is good for a life sentence in Iowa.

Mrs. Van Vechten Dies

Mrs. Emma Van Vechten, widow of the late G. E. Van Vechten, pioneer Cedar Rapids banker, died at Cedar Rapids last week. She was well known all over Iowa, especially among the women's club workers. The deceased was an aunt of Ralph Van Vechten, vice-president of the Continental and Commercial National of Chicago.

Iowa Notes

H. P. Dowling, Thomas N. Franklin, F. F. Wunder and W. E. Cooper have joined with M. Dowling of Omaha in the purchase of the Bank of Kirkman. The purchasers are identified with Shelby county banking interests. They will make it the Kirkman Savings on January first. H. O. Loutenhizer of Des Moines will be cashier. The institution was purchased from its founder, Frank DeKlotz.

George M. Reynolds of the Continental Commercial of Chicago was in Des Moines last week a guest at the home of his brother Arthur Reynolds, president of the Des Moines National. Mr. Reynolds gave out many interesting statements while here relative to his views on financial questions.

Jack Bennett was the victim of the first accident in the building of the new Central State Bank building in Des Moines when he fell off a ladder while cleaning up the structure. He was badly hurt.

Zaman Knapp, assistant cashier in the Union National at Ames, was married recently to Miss Laura Storms, daughter of A. B. Storms, formerly president of Ames College. The wedding was at Indianapolis.

The capital stock of the Farmers Savings at Templeton has been increased from \$10,000 to \$15,000.

L. L. Beinbauer has been chosen cashier of the Farmers State at Dows to succeed O. M. Benson who resigned.

The Newhall Savings at Newhall has filed amendments to its articles increasing the capital stock from \$15,000 to \$30,000.

A new bank at Allendorf with a capital stock of \$12,500 is in prospect. D. D. Garberson, Harry Russell and Henry Rerick are said to be behind the organization.

L. H. Groth has been chosen assistant cashier of the Citizens State at Elgin.

Clyde Wilcox, formerly president of the Farmers and Mechanics Bank, Bushnell, S. D., has been elected cashier of the Platte (S. D.) State Bank.

C. J. Weiser, president of the Winneshiek County State at Decorah, has been chosen one of the directors of the Canadian Bond and Mortgage Corporation at Winnipeg. The capitalization of the latter concern is \$5,000,000.

Joseph Samuels, president of the Nishna Valley Bank of Riverton, has purchased an electric adding machine and to run it, he has established at his home an electric plant by which he runs the machine and lights up the institution at the same time.

Sioux City

By JOHN J. BIRDSON

An important change in South Dakota banking circles was effected by the consolidation at Plankinton of the Commercial State Bank and the Farmers and Merchants State Bank, under the name of the latter concern. The combination gives the bank a \$25,000 capitalization. The officers will be: President, Arthur Harris; cashier, J. E. Morris; assistant cashiers, Robt. McIntosh and P. F. Nolin. It is stated that Mr. Morris will assume the presidency after the first of the new year.

Country banks continue to draw heavily on the Sioux City institutions for the movement and financing of crops and for the purchase of feeding stock. The movement is almost phenomenal, even for this season of the year, and may continue for quite a time, in view of a manifest disposition on the part of farmers either to hold their corn for a rise or to put it into beef because of the large crop and correspondingly low price.

Reports from Mason City, Ia., are that deposits in the postal savings bank there have decreased from \$10,000 to \$7,000, practically all the loss going into the Balkan war as direct contributions or transportation for volunteers.

The following bankers were in Sioux City the past week: Geo. L. Parker, president of the First National of Hartington, Neb.; D. M. Inman, president First National, Vermilion, S. D.; T. A. Anthony, cashier First National, Wausa, Neb.; H. W. Wentzy, president, Security Savings Bank, Rapid City, S. D.

STRONG IOWA BANK

Security Trust and Savings of Charles City, Ia., is the largest bank in Floyd county. It has capital of \$100,000 and undivided profits of \$23,737.84. Deposits amount to \$2,293,664.89. There are no bills payable, no rediscounts and no indebtedness to the bank on the part of any officer, director or stockholder. Officers are as follows: Adelbert E. Ellis, president; Charles D. Ellis, vice-president; Morton Wilbur, cashier and Melvin W. Ellis, assistant cashier.

BANK ROBBERS BUSY IN IOWA

Bank robbers who have remained dormant in Iowa for a few weeks broke out afresh Tuesday night. They entered the Citizens State at Goldfield, dynamited the time lock and opened the combination. They made a haul of \$4,000 and escaped in a carriage. The robbery was not discovered until the following morning. The same night, robbers looted the depot at Percy and secured tools with which they sought to rob the Farmers Security at that town, but were frightened away.

BANK MAKES RAPID STRIDES

The last statement of the Central Trust Company of Illinois shows deposits of approximately \$40,000,000, with capital of \$4,500,000, surplus of \$1,000,000 and undivided profits of \$972,724.54. This bank is but ten years old, having been organized by former Comptroller of the Currency Charles G. Dawes. During the last three years it has, by consolidation, taken over the business of the following banks: Royal Trust, Monroe National, Western Trust and Savings, Prairie State and Metropolitan Trust and Savings, making the Central Trust Company of Illinois one of the leading financial institutions of the West. It stands seventh in the list of Chicago banks in the volume of business, and has total resources of \$46,423,228.91.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CAMPAIGN OF EDUCATION IN SAVING AND THRIFT

E. C. McWilliam, president of the New York Chapter, American Institute of Banking, and also secretary savings bank section, American Bankers Association, delivered a most interesting address at the Connecticut Savings Banks Association at Hartford on December 6th. Mr. McWilliam said in part:

"Permit me first of all, on behalf of the officers of the savings bank section, American Bankers Association, to express their very deep appreciation of your courtesy in extending me an invitation to meet with you to-day. The American Bankers Association has no desire to usurp the prerogatives of any state association, but rather seeks that co-operation, of which your courtesy is a marked illustration, toward carrying forward constructive work which shall make for the general improvement of all; and there is no better channel for such work than the state association, with their intimate knowledge of local conditions.

"I was very glad to come here to-day and say just a word regarding the educational campaign we are about to institute throughout the country, and in the forwarding of which we desire your help, for frequently written words will be interpreted differently by different people, whereas the meaning may be made plain by word of mouth.

"A number of years ago in course of my every-day affairs, I became impressed by the very evident ignorance of the majority of people regarding the nature and functions of savings banks. This was evidenced by the ridiculous questions which were asked by people in all walks of life. My reasoning led me to believe that if this pertained in New York it must be equally apparent elsewhere, and upon inquiry I found such to be the case. Further reflection led to an investigation of thrift conditions throughout the country and a comparison with other countries, with the result that I became of the opinion that here lay an obligation which we of the savings banks could not shift, for I found that while our savings are the greatest in point of amount, our percentage of savings depositors, including those in all classes of banks, is the smallest in the world. And gentlemen, I claim that a country's thrift should not be measured by the amount of its savings deposits, but rather by its number of savings depositors in proportion to its population. I found sections of the country where the majority of people buried their money in the ground rather than trust banks, and the practice of purchasing money orders payable to oneself is very prevalent.

"With these facts I went before our executive committee last May and suggested that we institute a campaign of education in saving and thrift among the people of the United States. This was favorably acted upon and referred to our methods and systems committee for action.

"As to the methods to be pursued, we are suggesting that in all states the start be made by seeking the establishment of the school savings system wherever practical, believing that no better start can be made than with the children, and that there is no better way for them to learn thrift than by practicing it. We are then suggesting educational advertising

either by individual banks or communities, pamphlets, lectures by savings bank men, and in short anything which in the opinion of the state committees will prove an effective channel for directing thought toward thrift and the curtailment of extravagance.

"I would not have you believe that I feel that the people of your beautiful state especially need educating along these lines, for I am not unmindful of the fact that half the population of Connecticut possess savings accounts of one kind or another—a condition which, if it prevailed throughout the Union, would make our economic position impregnable; but there are at least three fields where I believe you can do good work—among the children, the foreigners, and in saving the 'sucker' from himself.

"Regarding that class whom we rudely call 'suckers,' it is our duty to drive home the old proverb that 'it is better to be safe than sorry.'

"Now this class is developed largely from among those who, being unable to increase their daily income in proportion to their expenses, think they discover a method by which fifty per cent to one hundred per cent may be made on an investment of, say, one thousand dollars or so, and I am told that the best so-called 'sucker lists' are made up from preachers, teachers, and doctors, and from among those ignorant of financial matters, such as working women, widows with proceeds of life insurance policies to invest, and other impractical people who receive legacies. More than half a million of these people lost over one hundred twenty million dollars to 'wild cat' schemes which were uncovered by the post office inspectors last year, and this probably was not half the losses due to such causes. I believe it is our duty to protect these people by persistent education, the result of which will undoubtedly save thousands a year in deposits to savings banks."

PITTSBURGH CHAPTER

By J. M. LUTHER SECRETARY

The Pittsburgh Chapter year opened on October 8, 1912, with an open meeting, entertainment and Dutch lunch. The auditorium and headquarters were filled to overflowing. President B. O. Hill in his initial address appealed to the members for their co-operation in making this a banner year, and the chairmen of the various committees outlined their work for the year, reporting progress already made. The evening was one of enjoyment and good fellowship, marked by no little enthusiasm by all.

On October 12th, we were honored in having over one hundred and fifty members of the Cleveland (Ohio) Chapter as our guests. They arrived about noon on a special train, and remained with us over Sunday. Saturday afternoon was given over to athletic contests, and the evening to a banquet at the Fort Pitt Hotel, after which all adjourned to the Grand Theatre, where a special performance in honor of our guests was given. Sunday was spent in sight-seeing and attending a recital at the Carnegie Music Hall. We enjoyed their visit and all seemed to have had a pleasant time.

On the evening of December 3d, we expect to have United States Treasurer Lee McClung

as our guest at a banquet, after which he will address the Chapter, and on December 17th, we expect to have Comptroller of the Currency Lawrence O. Murray with us. We are looking forward to these two evenings with great expectations.

The Pittsburgh Chapter is scheduled for a return debate with the Cincinnati (Ohio) Chapter, on February 12, 1913, to be held in Cincinnati, for which great preparations are being made. Pittsburgh Chapter won in the debate held here last winter, which proved one of the best drawing cards of the season. The subject for discussion has not yet been announced, but whatever it may be, Pittsburgh will endeavor to keep up its reputation and make it worth while.

It was hoped that a debate could have been arranged with the Chicago Chapter last winter, but on account of the lateness of the season when the matter was taken up, it was abandoned. We trust that arrangements can be made this year. A debate between the Chicago and Pittsburgh Chapters should prove of unusual interest.

The educational program that has been arranged this year, we believe to be the best in our history. Each year we endeavor to improve on the past; our instructors are the best that can be had, and are of national reputation.

Those in attendance at our weekly lectures are a unit in expressing their satisfaction, and our meetings are unusually well attended. Our educational committee deserves great credit for the interest they have taken in their work. They have succeeded in providing a course that appeals to bank men in all branches of the profession.

Falling in line with the movement to provide a post graduate course for those who have obtained their Institute certificates, and for those who wish to go deeper into the study of finance, the Pittsburgh Chapter has organized the Chapter Forum which has adopted the course of study as outlined by the American Institute of Banking. We sincerely look forward to this branch of Institute work for great returns.

Pittsburgh Chapter is also publishing a magazine called "Chapter Clearings," devoted to the interests of the Chapter, and which is a factor of considerable importance in retaining the interest of inactive members, and stimulating those who are active.

MEMPHIS CHAPTER NEWS

E. L. Rice, vice-president of the Bank of Commerce and Trust Co., Memphis, Tenn., addressed the Memphis Chapter recently on the requirements of a bank clerk. Following are some of his remarks:

Recently there was organized in New York a society for the Promotion of Efficiency. I would suggest that every bank clerk might adopt this as his slogan, to work with the view of becoming more efficient in his labor, to fit himself more effectively to handle the problems which present themselves, and I know of nothing which will more assist him than this constant interchange of ideas with his fellow clerks, which the American Institute of Banking affords. It is possible I may be able to offer some suggestions which may be of benefit to some one here, and if I can, I will be amply repaid.

My banking experience began a great many years ago, probably before many of you had seen the light of day, before adding machines had made their appearance, and typewriters were few, when all bank work was done with pen and pencil, when co-operation between banks was unheard of, and everyone was for himself, and cared nothing for his neighbor. Since that time great strides have been made in every line of business, and the banking business has not been behind. During all of this time the efficient bank clerk has always had the advantage over the inefficient. There may be times when it seems that "pull" in one sense or another will give some the advantage, but I believe that the time will come when the efficient clerk will win, if he only has the patience and perseverance to continue his work. And here I would like to say that I think a young man should not spend too much time in the banking business unless he expects to make it his life work. After he has decided on this, he can make a success of it, if he will devote his energies to the work.

There are a great many things which are necessary to make a successful bank clerk. In the first place, I will mention "work." He must be absolutely fearless when it comes. He must not only not shirk, but he must always be ready for it. I use the word "must" advisedly. I have never known a bank clerk who ever amounted to anything if he feared extra work, if he always whined about it being another's work. In order to prepare himself for advancement, he is necessarily bound to do other work than his own, to familiarize himself with the work of another, so that he can take the place of that other when he is advanced or retires.

Another qualification which I will mention as necessary is courtesy, and when I say courtesy, I do not mean pleasant treatment of customers alone, but I think a bank clerk should try to be pleasant at all times and in all places to everyone he comes in contact with. His influence can be much more far-reaching than he can possibly imagine. How does he know when someone who may have only a little of this world's goods may speak a word for him which may change his whole life? Small things frequently influence great things in the banking world as well as in other lines.

Another qualification is accuracy. In this life no man can live to himself alone. We are all dependent upon others, and while the work of a bank has been systematized so that one clerk's error does not work as much hardship on as many people as it did years ago, still he must avoid careless, slipshod methods if he expects to do efficient work. Do not understand me to mean that I would expect you to be perfect, for I know we will all make errors. What I do mean is that you should so safeguard your work as to minimize your chances of making errors, and to use care and caution.

You must, in order to attain "efficiency," have a "sane mind in a sound body." No bank clerk can give effective work to his institution if he spends his leisure time in excesses. He must care for his body in order that his mind may be clear to handle the work as it comes to him.

There can be no effect without a cause. As a general summing up, I may say a sound, healthy body, with a clear mind, a desire for work, an unselfish courtesy, an unerring accuracy, are some of the things which will help toward the "promotion of efficiency."

CLEVELAND CHAPTER

By C. W. STANSBURY

Cleveland Chapter held its regular meeting in the chapter rooms in the Rose building on Tuesday evening, November 26th. Applications received brought our membership up to

199 and our total membership up to 400. Of this we justly are proud. C. R. Megerth, office attorney of the Guardian Savings and Trust Company, read a paper on the "Negotiable Instruments Law," starting with the demand and reasons for such an act. This was the first of six papers to be read at the meetings this winter, each one being by a different officer. Following our policy of having at least a part of our meetings participated in by the boys themselves, W. T. Walford, receiving teller in the Bank of Commerce, N. A., read a paper on the "Receiving Teller's Department." This was followed by an informal debate as to whether banks should make collection charges on out-of-town items accepted as cash.

Our law class, which is studying the A. I. B. course in banking and finance, is in a flourishing condition and is well attended. Meetings are held every Tuesday evening in the chapter rooms at 6:45. At this hour it is possible to hold class meetings and regular bi-monthly meetings on the same date.

CHICAGO CHAPTER, AMERICAN INSTITUTE OF BANKING

W. W. WALTON

J. Paul Goode, Ph. D. of the University of Chicago, gave a stereopticon lecture before the chapter on "Hawaii—A Geographical Interpretation," last Tuesday evening, December 10th. Professor Goode's lecture was not only interesting, but educational as well.

The Hawaiian Islands are composed of a group of many islands, the more important being Hawaii, Maui, Molokai, Oahu, Kauai and Nihau. A portion of the island of Molokai has been set aside to be used as a leper colony. These islands are the result of volcanic eruptions, the base of some of these islands being five miles deep in the sea. The volcanos in these islands differ from those in other parts of the world in that their lava is molten stone and they do not have eruptions of a violent nature.

The Hawaiian Islands without question is the Land of Paradise; the temperature is never lower than 54 degrees or higher than 80; bathing is always in season; the winds always blow from the northeast and at about the same velocity at all times, and the soil produces in abundance; there is no poisonous plant or animal life on these islands. They are also known as the cross roads of the Pa-

cific, all vessels now making Honolulu their port.

These islands are the result of volcanic eruptions, and in recent years there have been many smaller islands gradually appearing from time to time until now there are a great many of these small islands. The more important islands all show evidence of volcanic process, and the lava caused by these volcanos has made the coast of these islands so ragged that it is impossible to land at very many points.

The natives of the islands are now becoming quite extinct, owing to the vast importation of foreign labor, which has become quite a serious question, and at the present time the natives represent the minor portion of the inhabitants of the Hawaiian Islands.

The chief industry of the islands is the raising of sugar cane, although pineapple raising is becoming quite an industry and it is stated that the largest pineapple canning factory in the world is located in these islands. Views of fruits and vegetation of the islands were quite inviting and those who dislike the cold winters undoubtedly had a longing to live in such a beautiful country where climatic conditions are so ideal.

John P. Scanlan, of the Illinois Trust and Savings Bank, favored the chapter with several vocal selections before Professor Goode made his lecture.

Friday night, December 20th, will be ladies' night, which will be in the nature of a musical and dance, and everyone attending is assured that he will have a real pleasant evening.

The Banquet Committee now has arrangements well under way for the twelfth annual banquet to be held in the Hotel LaSalle Saturday evening, January 18, 1913.

WINNEBAGO BANKER SENTENCED

Blue Earth, Minn., December 11th.—Harry W. Parker was given an indeterminate sentence to Stillwater prison by Judge James H. Quinn this afternoon. He told the court he had repaid the Winnebago bank the \$2,000 which he confessed he had embezzled, with interest, and said he was quite sure he could account for every dollar of the bank's funds which now appear to be missing. Parker has promised to do all he can to straighten out the tangled affairs of the State Bank of Commerce at Winnebago, and will be allowed to return to his old home in the custody of the sheriff to examine the books and accounts and throw what light he can upon them. He will not be taken to prison right away.

DOUBLEDAY, PAGE & CO.'S USEFUL BOOKS

Among the useful books brought out by Doubleday, Page & Co., late in November and early in December are the following:

"Practical Cooking and Serving," by Janet McKenzie Hill, new edition.

"Composition," by Arthur Wesley Dow.

"The Music Lover's Cyclopaedia," by Rupert Hughes.

"The Garden and Farm Almanac" and "The Business Almanac and Investor's Guide" for 1913.

Each of these books has a special field, for which it was written as the result of a specific demand.

A charter has been issued to the Selma (Cal.) National Bank, capital \$50,000, which succeeds the Farmers Bank of Selma.

B. B. Harris, for many years agent for the Illinois Central at Colfax, Ill., has resigned his position there and will become the cashier of a bank at Lafayette, Ill.

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MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

the George F. Orde theory of roping him to a substantial tree.

MAYBE you do not know that Louisiana was the first state to encourage a strictly farm bank?

AT the last general election there was adopted an amendment to the constitution of Louisiana exempting from taxation for a period of twenty years companies organized for the sole purpose of loaning money on farm lands at interest not to exceed 6 per cent net to the borrower.

THESE trust companies will be under the supervision of the state bank examiner, and will market Louisiana real estate securities in the money centers.

OF course we expect that "Jim" Wheeler will file a priority claim on the plan if Macfadden of North Dakota doesn't beat him to it. They've got the habit.

YES, and we're with them all along the line. The northwest carries the back-to-the-farm banner all right.

ONE of our good private banker friends has sent in a vindicating sort of circular, printed in red ink. Hope his boasted surplus isn't entered on the ledger in the same color.

THE bank is over at 51st and Halsted and the circular tells "Why this bank has and retains the confidence of this community and its large patronage." Please imagine "Bank" and "Confidence" to be in large caps.

FURTHERMORE, Charles Detrick, who is president, cashier, etc., explains in the same lurid color "Why it (his "bank") is one of the safest, soundest, and most substantial banks in Chicago." All this in red ink.

DETRICK claims to have loaned ten millions and "has not sustained a cent's loss." This will make J. E. Blunt, H. S. Henschen and other down-town bankers very jealous.

THEN in still redder ink, if possible, Detrick concludes "I challenge any (he means any other) bank in the State of Illinois to come up to this mark of efficiency." So do we.

WE shall refuse to be bound by the bull moose conference report unless John L. of Hoopston prepared the resolutions. He knows how to put in those little "saving clauses" of the pure I. B. A. brand.

IF any banker in Illinois dreams that the private bank revelations now going on in county and federal courts in Chicago are not being printed with "scare" heads in every newspaper in the country he will have a sad awakening when he counts the final cost. The state is the sufferer, next to the poor depositor.

THEY tell us that the new governor of Illinois is trying to convince Irving Shuman that the real path to glory lies in the office of superintendent of banks for this state and not in the comptroller's office at Washington.

MURRAY hasn't left much undone that is desirable and the bank supervision field in Illinois is very promising. It is said that Governor Dunne and Mr. Shuman hold twin opinions on the question of supervision. Then we may get a "Blue Sky" law which would help some.

ILLINOIS would be well served if Mr. Shuman would take up the work of the banking department at Springfield. The state auditor is declared in on the deal.

ON seeing a fine picture of Alexander D. Campbell in the Texas Bankers Record, J. W. Hoopes is said to have wired:

"Introduce me to your photographer. I want to see if he can do as much for me."

HARRIS TRUST of this city not only declared the regular dividend of 3% at its recent meeting, but also declared an extra of 5%. Both dividends are payable January 2d to stockholders of record at the close of business December 18th.

IT never was our intention to get Colonel Farnsworth into difficulties by referring in this department to the hotel situation at Boston. It was stated in a paragraph a couple of weeks ago that the headquarters hotel at Boston had reserved three hundred rooms for the A. B. A. Col. Farnsworth now believes that nearly every banker in the United States reads THE CHICAGO BANKER, for he has had more than enough of applications to fill the three hundred rooms from those who saw the notice.

THE information came to us from Boston direct but failed to state that the three hundred rooms in question had been placed at the disposal of the hotel committee of the Boston bankers, which committee is undertaking to make assignments even for members of council and officers of the association. This will let Col. Farnsworth out of a corner on the room question such as was unjustly raised at Detroit.

IT will be something of an innovation to have all of the reservations handled direct by the committee, but probably it is the correct way to do it. The official reservation list for the association officers and members of council will occupy very much less than half of the three hundred rooms mentioned. The hotel committee has asked for a list of officials entitled to reservations, which indicates they are going to attend to the whole matter.

LETTERS are being received by personal friends of P. C. Kauffman, secretary of the Washington Bankers Association, stating that he is back at his desk in the Fidelity Trust and on his way to complete recovery. Mr. Kauffman underwent a very serious illness which necessitated the first layoff in twenty years for that active individual.

A LOSS of 18 points in Union Pacific since the supreme court's decision separating it from the Southern Pacific would indicate that there is to be trouble in securing a successful San Francisco outlet. If the supreme court decision will not allow the Union Pacific to use the Central Pacific lines it will be "hung up" in a business way for some time.

PASSENGERS on the Chicago-Los Angeles convention special will remember the long and inexcusable wait which the Union Pacific gave them at Denver and the never-to-be-forgotten attempt to haul seventeen Pullman cars with one engine over the mountainous route.

These same passengers will enjoy the present situation, especially if they have not been owners of U. P. shares.

SOME times we almost forget that there is a secretaries' section in the American Bankers Association and for the simple reason that these systematic gentlemen conduct their business in such a way that it attracts very little general attention. They have an arbitrary way of arranging their program by assigning subjects to speakers without their knowledge and consent in advance.

FOR this very reason some of the very best productions offered at a national convention come up through the secretaries' section. These lively gentlemen make an attempt to settle all mooted questions for the year at this annual conference.

RUMOR now has it that under a plan being formulated by the officers of this section it will take on a new degree of usefulness as a part of the great American Bankers Association. Secretary W. B. Harrison of Oklahoma, is sending out letters to the chairmen of all the principal committees in the A. B. A., asking for suggestions as to how the usefulness of the secretaries' organization may be increased. It is said to be his intention to bulletin all replies to all of the state secretaries with the request that the matter be referred to the various state executive councils and committees so that uniformity of action can be established.

A SYSTEM of interchange of information between state secretaries is being established by the issuing of bulletins from Secretary Harrison's office. All state secretaries who are loyal to the section will furnish material for these bulletins by sending in all information and suggestions gathered to Mr. Harrison.

THIS new method of operation is being carefully worked out and President W. C. Macfadden of the section is said to believe that it will be complete and comprehensive and will promote and establish uniformity of all state associations.

SOME of the more enthusiastic supporters of this new plan believe that when it has been successfully carried out, it eventually will lead to the re-organization of state associations into an association of state clearing houses. At least this feature of the work has had serious consideration and considerable discussion.

IT would not be surprising if the matter would go on and later result in the establishment of a state reserve association under control of the state clearing houses, legalizing certificates issued by such associations against deposits of approved collateral securities. This may sound a trifle ambitious but to those who have been looking into the matter, it has been apparent that the best brains and highest integrity of the banking business can be found in the working ranks of the state organizations over which the secretaries themselves maintain such a great influence. CASHIER.

CONVERTS TO STATE BANK

H. V. Moore Banking and Trust Company of Monticello, Ill., has by action of its stockholders, converted to the Moore State Bank. This is one of the strong down-state banking firms, located in a prosperous agricultural district.

ISSUES APPEAL TO FARMERS

G. A. Ryther, vice-president of the Live Stock Exchange National of Chicago, has issued an appeal to all farmers to engage actively in the live stock industry, which offers better inducements than ever before.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

"THUS two vexing problems for bankers have been well settled long ago. All the usual departments are maintained in the association and the agricultural committee is about to launch a state-wide fight against the boll weevil and to encourage scientific farming, with especial attention to soil and seed studies and intensive cultivation.

"W. P. G. HARDING, president of the First National of Birmingham, is behind a movement to establish a million-dollar farmers' loan and trust company which is also backed by the Alabama Land Congress. A like company is in actual process of organization at Montgomery, headed by a number of the state's leading business men.

"THE object of these concerns is to meet what President Taft has pronounced to be the crying need of the nation—long time loans to farmers, at reasonable rates, on real estate securities.

"I STARTED one of these companies on a small scale last year to operate in two counties only, St. Clair and Talladega. The first year's business was very successful as appeared from the annual statement of the Bankers Investment Company published last week.

"W. W. CRAWFORD, president of the American Trust and Savings Bank, Birmingham, is smiling from ear to ear these days at the prospect of soon moving into his new quarters. The twenty-one upper stories of the new American building was turned over to tenants in October, but the banking room, occupying the entire lower floor as well as basement, has been delayed in completion. The bank now expects to move into its permanent home before the holidays. It will be as fine as anything in the South.

"JAMES R. STEVENS, clearing house examiner for New Orleans, is said to be a candidate for comptroller of the currency. He will have very strong and enthusiastic backing from the South. For a number of years Mr. Stevens was the executive of a bank in his home city, Huntsville, Ala. He then served as national bank examiner for Alabama and New Orleans. His experience peculiarly equips him for the post, as it has brought him in close touch with manufacturing interests in the Birmingham district, with import and export business at the ports of New Orleans and Mobile, and with agricultural and business interests generally.

"THE South has not had a comptroller in twenty years and, if any change is to be made, feels that it is entitled to the place. Mr. Stevens will make a strong bid for it, as many of his supporters will be found close to the president and to the big committee chairman in the new house and senate, most of whom will come from states where the Stevens influence is strongest. Birmingham, Underwood's home city, will be behind Stevens to a man, as will all the banks of Alabama and many others from the cotton belt."

ALL of above quotations are from Mr. Tilton. Now for other fields.

IT may be supposed by the uninitiated that the secretary of a state bankers association takes a lay-off during the winter season. Such is not the case and it will be the business of this department of THE CHICAGO BANKER to keep those gentlemen stirred up and to report proceedings.

TAKE the supposedly sleepy old state of Pennsylvania, where D. S. Kloss of Tyrone presides at the desk. He became secretary to the Pennsylvania Bankers Association in 1898

and has been a continuous performance ever since. Under his administration the membership is three times what it was in 1898.

FURTHERMORE, the Pennsylvania association is in good standing with those of other states and always has a surplus in its bank account. It was among the very first of all the states to adopt a group system and it attributes to that fact its splendid standing of to-day.

THE Pennsylvania association refunds to each group forty per cent of all the dues paid in by the members residing within that group, which makes the separate units practically independent so far as funds are concerned. The returns which the state association get for this forty per cent donation is reflected in the well-being of the association at large.

A STATE convention in the Keystone commonwealth is not an accident. Their good programs come by the route of grave thought and successful arrangement. It already has been decided that the principal event for next year's convention will be a heavy-weight discussion on that much mooted banking question: Resolved, that national banks be given the powers of trust companies. It might not be a bad idea for other states to vary the currency discussions from previous conventions by taking up this particular one.

PRESIDENT A. S. BEYMER of the Pennsylvania bankers is cashier of the Keystone National at Pittsburgh. He has a strong and able personality and brings much ability into the management and affairs of the association. An observing Pennsylvania banker has prophesied that Mr. Beymer's administration will be one of progress.

COL. J. S. AISTHORPE, chairman of the executive council of the Illinois Bankers Association, spent two days of the week in Chicago making arrangements for the annual meeting of the council, which has been fixed for Wednesday, January 22d, 1913.

IT has been arranged to hold the business session in the afternoon, with a dinner at six o'clock in the evening, both events taking place at the Congress Hotel. Col. Aisthorpe has secured a "top notch" to address the banquet entertainment, but is not yet ready to announce his name.

THE Colonel can be depended upon to get the affair entirely away from the ordinary meeting of this kind. He will have the program printed in plenty of time to be circulated so as to stir up a full attendance.

SECRETARY ARCH B. DAVIS of the Kentucky Bankers Association is not off hunting alligators in Florida. He spent the first week of the present month going over the affairs of the state association with the newly elected president, J. E. Buckingham of Paintsville. It was decided between President Buckingham and Secretary Davis to hold a meeting in Louisville the latter part of January or the first of February, to be attended by all group chairmen and secretaries. Kentucky bankers are bound to develop the group system to its highest capacity and the Louisville conference will be directed towards meeting the situation so far as group meetings are concerned, in an attempt to make them more profitable to the members. Mr. Davis is not prepared to give out details at the present time.

IT also was decided between the two officials named to bring before the next meeting of the executive council the subject of a "Blue Sky" law for Kentucky such as they have in Kansas. The association has given direction that such a bill be prepared by the council and

its passage urged by the next general assembly.

A LITTLE note from W. C. Macfadden of the North Dakota Bankers Association, said: "I think 'Mainly About Banks and Bankers' is the first part of your paper read by every banker in the country."

SECRETARY P. W. HALL of the Iowa Bankers Association admits that he reads "Mainly About Banks and Bankers" even before he reads Mr. Jarnagin's splendid Iowa letter, and always before he takes up the general news of the paper.

SECRETARY ANDREW SMITH of the Indiana Bankers Association testifies to his enjoyment of "Mainly About Banks and Bankers" and concludes a very friendly letter with this: "You know I think THE CHICAGO BANKER the best paper of its kind in the world."

THERE are three bills which Secretary Smith and his association are going to try to have passed at a coming session of the legislature. They are the uniform negotiable instrument bill, the Kansas "Blue Sky" law and the proposed law relative to false statements to obtain credit. The Indiana Bankers Association regards these three proposed laws as very important to the banking interests of that state. The association is asking the help and co-operation of every banker in the state to get the measures through the legislature. Each banker is specifically asked to take a personal interest in it.

W. J. CHURCHMAN, who ten years ago was cashier of the Capital National at Indianapolis, but who has been absent from the city for a long time, has returned to Indianapolis and is taking steps toward organizing a new state bank in that city.

SECRETARY W. FRANK KEYSER of the Missouri Bankers Association, was completely taken by surprise when he was presented with a valuable gold watch at Charleston, Mo., at a meeting of Group 12.

E. B. Clare-Avery, assistant cashier of the Merchants-Laclede National of St. Louis, made the speech of presentation on behalf of the "Flying Squadron." This useful present serves as a token of the high regard in which the popular secretary of the M. B. A. is held by the bankers who attended the recent Missouri group meeting in Keyser's special.

IF the market break keeps up, that is, if stocks keep going down, put in an order for something good, way below where you expect to get it. If you get it you make a pile. If you don't, you lose nothing.

THEY do say that the Pennsylvania is trying to sell Norfolk and Western to avoid government attention. Every little helps to beat down prices.

WARE & LELAND, and you can bank on their opinion, say that you should "reduce holdings on strong spots." And that's all they do say.

KIRBY "savings bank" was long on promises and short on performance. It issued buttons, mirrors and pocket banks for dimes and promised one dollar to the bearer when he brought in a new depositor. The new depositor got a dollar too. Everything else went to the Doctor.

B. F. HARRIS and T. R. were both in town on Monday. So was Joseph Chapman, but then he's no bull moose and doesn't count.

CHAPMAN was en route to Cleveland to tell the chamber of commerce how to keep the boy on the farm. He has abandoned

(Continued on page 30)



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DECEMBER 21, 1912

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R. C. Keller

Rumors were current in Chicago on Friday to the effect that R. C. Keller, vice-president and cashier of the Colonial Trust and Savings, is to be comptroller of the currency under President-elect Wilson.

JOHN BURIANEK FOR BANK EXAMINER

Friends of John Burianek, cashier of the Peoples Savings Bank, Cedar Rapids, are pushing him for a national bank examinership. It was mainly owing to Mr. Burianek that the Peoples attained its great growth and erected the finest "country" bank building in the state. Recently the bank was sold to new owners and Burianek will retire January 15th. He was asked to remain, and likewise was offered other positions in Cedar Rapids. His friends hope to land him as an examiner, for he is just the kind of timber Comptroller Murray is looking for. He is young, ambitious and experienced.

George E. Allen

Educational Director for the A. I. B. George E. Allen of New York, was in Chicago this week en route to St. Louis on chapter business. Allen represents the farmers' committee of the New York Bankers Association, and is likely to succeed Chas. R. Frost as N. W. Conference secretary or to become secretary of the A. B. A. committee on agriculture and education. Either position would be in able, kindly hands.

ADMINISTRATIVE COMMITTEE MEETING IN JANUARY

The meeting of the A. B. A. administrative committee which was postponed last month on account of a temporary illness of President C. H. Huttig, likely will be called for St. Louis in January. F. O. Watts, when in Chicago recently, gladly told of Mr. Huttig's improvement. He has resumed his daily visits to the bank.

J. A. McCormick

James A. McCormick, vice-president of the Chicago Savings Bank and Trust Company, was elected treasurer of the Sanitary District of Chicago on Thursday. He succeeds Geo. M. Reynolds, who acted for the late republican administration. The members of the board wanted to name Andrew J. Graham, but Mr. Graham said: "Ordinarily, I might take it, but not from my friend Reynolds." At the same time, Mr. Reynolds urged Mr. Graham to disregard him in the matter. 'Twas ever thus between men of class.

J. B. FORGAN RUNS THIS BANK

No Chicago banker should be called upon to refute the foolish stories set afloat by the Pujo committee in Washington. All the West resents the braggart claims that any New York financier, or bunch of them, controls Chicago's three largest banks. Mr.

Men Prominent at Meeting of Reserve City Bankers



F. O. WATTS
ST. LOUIS



F. A. CRANDALL
CHICAGO

Mr. Watts is vice-president of the Third National of St. Louis and an ex-president of the American Bankers Association. He spoke at the banquet held by the reserve city bankers last Saturday evening, endorsing the objects of the organization and calling attention to the opportunity of the association to co-operate with the A. B. A.

Mr. Crandall, who is vice-president of the National City Bank of Chicago, was chairman of the local committee having in charge details relating to the meetings. Mr. Crandall presided at the sessions of the association and discharged his duties in an able manner. He represents the American Institute of Banking on the executive council of the A. B. A.

Hitchcock of the First National listened to a daily reporter's tale of woe and curtly said: "Huh! J. B. Forgan runs this bank."

The same was said less briefly for the Continental and Commercial National by Mr. Van Vechten and by Mr. Mitchell for the Illinois Trust. The men who "run" the Chicago banks live in Chicago and sit in the president's chair.

LIABILITIES \$25,400; ASSETS 3 CENTS

How a small bank was started on \$1,000, the principal drawn out when deposits furnished enough money to do business on, and how the institution failed fifteen months later with 3 cents assets and \$25,400 liabilities in deposits, was told Municipal Judge Newcomer on Thursday.

St. Lawrence Chandler, cashier, told how the Cosmopolitan Bank operated at 250 Washington Street (old number). He sued for collection of a \$500 note from Morris Siegel. Siegel said he gave the note to bolster the bank's assets, receiving nothing in return, and the suit was dismissed.

Samuel A. Bell of Green Bay, Wis.; Milo F. Lewis, a Chicago lawyer, and Chandler started the Cosmopolitan Bank in September,

1909. Chandler said the two other partners left him alone and soon after he found the bank had no assets. Then it closed.

COMMERCIAL PAPER HOUSE EXPANDS

Hathaway, Smith, Folds & Co., one of Chicago's most highly rated commercial paper houses, is to open a branch in San Francisco to the better care for its growing Pacific Coast business. Frederick A. Collmann from the Chicago office will be in charge.

IMPORTANT COMMITTEE MEETING

All bankers who are members of Subdivision II, banks and bankers, ways and means committee, Chicago Association of Commerce, should be present at the meeting of the committee to be held in the main dining room of the LaSalle Hotel, Monday, December 23d, at 12.15, to elect members of the ways and means committee for the coming year.

JAMES B. FORGAN IN NEW YORK

James B. Forgan, president of the First National of this city, is in New York this week. He expects to return to the city on Monday.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

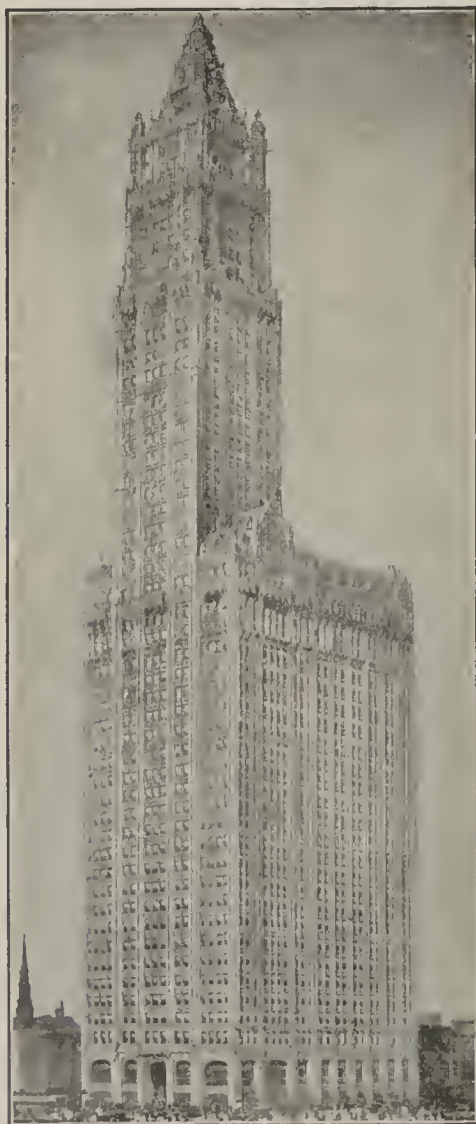
GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR 1913 ADDRESS



**The Willingness to Serve
The Equipment to Serve Well**

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital - \$4,000,000
Surplus - 3,000,000

OFFICERS

ROLLIN P. GRANT - - - President
JAMES E. NICHOLS - - - Vice-President
WILLIS G. NASH - - - Vice-President
BENJ. F. WERNER - - - Vice-President
CHARLES H. IMHOFF - - - Vice-President
EMIL KLEIN - - - Vice-President

HARRY E. WARD - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, Jr., - - Assistant Cashier
J. FRANKLYN BOUKER - - Assistant Cashier
SAMUEL REDFERN - - Assistant Cashier



MARINE NATIONAL BANK, BUFFALO, N.Y.

The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

CAPITAL AND SURPLUS EARNINGS, \$3,500,000 **TOTAL RESOURCES, OVER \$36,000,000**
ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, MERCANTILE FIRMS AND INDIVIDUALS INVITED

Mainly About Banks and Bankers

W. E. C. CLIFFORD, assistant cashier of the First National of Champaign, has been appointed assistant treasurer of the state of Illinois by William Ryan, Jr., the treasurer-elect. Mr. Clifford has been with the First National for seven years as paying teller and assistant cashier and is considered one of the most capable young men in the state, having had wide business experience as well as training in the bankers' field.

M R. CLIFFORD can congratulate himself that he did not allow himself to be led astray by the blandishments of his senior officer, B. F. Harris, who proudly wore an elaborate set of "Bull Moose" horns during the recent campaign.

O. L. HISER, treasurer of the Illinois Bankers Association, has sent out a letter calling attention to the fact that the governmental authorities are becoming quite active in this state in making an over-zealous application of the Illinois tax law to the banks. Mr. Hiser understands that bankers generally received the circulars from the Internal Revenue department, but that many of them appeared to take no interest in the situation.

T HE joker which Mr. Hiser points out in the decision of the department at Washington relates to the form of making returns. The Washington authorities claim that deductions heretofore made on account of state tax should not be allowed because this tax is levied under the Illinois statutes against the stockholders and not against the bank.

T HE government ruling, according to Mr. Hiser, is based upon a part of Section 35 of the Illinois state revenue law regarding the assessment of state and national banks. Mr. Hiser contends that it is a well founded rule in law that statutes should be construed as a whole and not by parts of sections. Under such a construction he believes that the state would lose its power to tax Illinois, non-resident stockholders who thus would escape taxation. What Mr. Hiser has to say about the subject will be found elsewhere in this issue and these paragraphs merely have been intended to call attention thereto.

J OHN C. HARRINGTON has been elected cashier of the Daly Bank & Trust Company of Anaconda to succeed Stockton Veazey, who goes to the First National at Great Falls as vice-president.

M R. HARRINGTON has been with the Daly Trust as assistant cashier for two years since his return to Anaconda from Chi-

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

cago where he was employed with a bank for the previous three years. President E. J. Bowman looks upon Mr. Harrington as one of the coming bankers of his state.

I T has been announced that W. G. Edens of this city will appear on at least two Pacific state convention programs the coming season. Editor Baker of the Pacific Banker suggests that it be made unanimous and Mr. Edens be invited to speak at all the Pacific state conventions on the "Back-to-the-Farm" movement which is an engrossing subject out there.

S ECRETARY C. S. WEBSTER of the Vermont Bankers Association announces his annual meeting for February 21st, at Rutland. The Vermont organization is one of the most alive of the younger associations.

T HE GRANITE TRUST COMPANY, a new incorporation, will open for business January 3d at Hardwick, Vermont. No particulars as to the official list as yet.

S ECRETARY P. C. KAUFFMAN of the Washington Bankers Association has been one of the most active men in his state in contending for state supervision of private banks. He takes a deep interest in the Illinois situation and makes the following comment:

"I WANT to congratulate you on the splendid fight you are making in favor of supervision and incorporation of private banks. We have the same fight on here. A few years ago we succeeded in getting a section added to our bank bill, providing that all private bankers should be compelled to advertise themselves in their stationery and over the bank as "private bankers," and should not use the word Bank, Savings Bank or Trust Company or any similar designation, unless they were incorporated and came under the supervision of the state bank examiner. We trust to finally succeed in having the law so

amended as to compel private bankers to submit to inspection and supervision the same as those that are incorporated."

S ECRETARY W. W. BOWMAN of the Kansas Bankers Association has announced his 1913 dates as Tuesday and Wednesday, May 6th and 7th, for the holding of the twenty-sixth annual convention at Hutchinson. A strong program is in preparation.

T HEY are having a little of bother in the state of Washington with a gang of swindlers operating all over the state with forged drafts. Secretary Kauffman has sent out a list of the names of the institutions drawn upon as well as a list of the names of the institutions purporting to have issued drafts. All of the information contained in the bulletin was furnished by the Wm. J. Burns National Detective Agency employed by the state.

I RVING SHUMAN, to rest up from his political exertions in the recent campaign, is off on a brief trip through the great Northwest and will make short stops in Colorado, Utah and California. There is a strong probability of Mr. Shuman being placed in charge of the banking department of the Illinois auditor's office under the incoming administration.

J. W. LYDER, cashier of the Northern National at Duluth, has made a little kick intimating that Duluth should be more conspicuous on the map so far as banking news is concerned than it is at present. Immediate steps are being taken to rectify this situation for no other points in the Northwest seem to be growing more rapidly in banking importance than Duluth and its side partner, Superior.

D EPOSITS in Duluth banks, both national and state, are growing as they never have grown before. This is shown by the last call whereby both state and national banks reported on the same date.

T HE total deposits of the Duluth banks on that day amounted to thirty millions which is the largest that financial center ever held at one time. The state banks held less than one million dollars of this amount, showing the strength of the nationals to be paramount.

O THER banks write in to tell us that North Dakota and South Dakota should be more conspicuous in the banking news of the day and we hereby tender the use of our columns
 (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
 JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
 H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing.

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. S. BISHOP, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
J. F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN G. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
WILLIAM A. FULLER CHARLES L. HUTCHINSON SOLOMON A. SMITH
ERNEST A. HAMILL MARTIN A. RYERSON BYRON L. SMITH



START THE NEW YEAR RIGHT

LET THE READJUSTMENTS
IN YOUR CONNECTIONS
INCLUDE AN ACCOUNT WITH

THE LIVE STOCK Exchange **BANK**
National OF CHICAGO

Washington Bankers Indorse the Lever Bill

Washington, D. C., December 18th.—Having listened to an explanation of the Lever agricultural extension bill, as presented by its author, Representative Asbury F. Lever, of South Carolina, the Bankers Association of the District of Columbia, at its meeting at the New Willard Hotel this week, with the leading financiers of the city present, including the directors as well as the active officials of practically every banking institution in the national capital, unanimously indorsed the measure, and named a committee to urge its adoption by the senate at once, it having already passed the house of representatives.

Soon after Mr. Lever had taken his seat, having reviewed the federal attitude toward the "greatest profession," pointed out the necessity for inauguration of intensive farming, and complimented Secretary of Agriculture Wilson for his masterful upbuilding of the Department of Agriculture, Charles J. Bell, president of the American Security and Trust Company, introduced the following resolution:

Text of Resolutions Adopted

"Resolved, That the Bankers Association of the District of Columbia, realizing the great benefit which the whole country will derive from the extension of scientific education to include the farming industry, and realizing the interest which bankers elsewhere, individually and through their state associations, are taking in this subject, unanimously indorse the Lever agricultural extension bill, which passed the house of representatives of the United States this year without a dissenting vote, and has been approved by the committee of the United States senate.

"Resolved, That this association urge the senate of the United States to enact this measure into law without delay, to the end that state legislatures meeting in January, 1913, may take immediate steps to secure the benefits of the law for their own states."

The resolution unanimously was adopted, and a committee composed of Mr. Bell as chairman, W. V. Cox, John Joy Edson, George W. White, and himself, was appointed by H. H. McKee, the president, to wait upon the senate and advocate the measure.

"Doctors" for the Farms

His bill, Mr. Lever said, is built upon the idea of furnishing to every agricultural county in the United States a trained man who will be to the farmer what the physician is to the family—one to whom the agriculturist may go for advice as to methods to pursue to correct the evils which beset his land.

To accomplish this purpose, the measure proposes a federal appropriation of \$3,000,000, to be expended over a period of ten years, with the states of the Union subscribing an equal

Special session of the Bankers Association of the District of Columbia called by Secretary John Poole to hear Congressman Asbury F. Lever of South Carolina in detailed explanation

amount. Belgium and other European countries, the speaker declared, through the introduction of intensive farming methods, are producing from two and one-half to three times as much per acre as America. Were this country to approach this European scale, he added, it would be equivalent to the discovery of a colony equal in size to the present territory of the United States.

"Agriculture Greatest Asset"

"Agriculture is this nation's greatest asset," he said, "the agricultural products being worth approximately \$41,000,000,000, or practically four times as much as the capitalization of the nation's railroads, and probably four times as much as the total capitalization of its national banks.

"Should the farmers of the country determine to go upon a strike for twelve months, every bank in the nation would be compelled within a few brief months to close its doors; not a railroad would be able to turn a wheel, and every city in the land would be, within six months, upon the verge of starvation."

"This problem of agriculture," he continued, "which many of the unthinking are inclined to laugh and sneer at, is the most important up for solution at the hands of the American people. The high cost of living is a vital question for the people of the city. It will never be solved until we have solved the problem of production of food and raiment, and reached a more direct route for the passage of these products from the man who produces them to him who consumes.

Conditions Near Washington

"How many of you bankers are aware that within a radius of 500 miles of the national capital there are living 44,200,000 people—48 per cent of the country's population? More than 65 per cent of this vast number are non-producers of food and raiment. You bankers are the intermediaries by which the producers are made to produce, and the consumer to secure his necessities at prices within his reach.

"In 1830 more than 70 per cent of the nation's population was living in the rural districts; to-day but 53 per cent of the population is rural. In other words, nearly half of the population is not producing food and clothing. The farmer struggles to educate his boys and

girls, and they in turn go to the city. Our political doctors are telling these young people to go back to the farms. I do not agree unless you are going to guarantee that farm conditions are going to be just as good, just as wholesome, and just as attractive as the conditions which maintain in the cities.

"We sent out bulletins to teach the farmer, but about 99 per cent of them are thrown away, or used to kindle the fire on cold mornings. We then sent out speakers to explain. The farmers did not in many cases take the advice offered. It is not that the farmer is a fool, but that he has been the worst humbugged man in the land. Now to convince the farmer you must demonstrate to him right on the farm. That is what we mean by extensive teaching, talking, writing, and demonstrating.

"The department of agriculture has shown through its demonstration work that we can double production. On 8,000 one-acre plots in South Carolina, cultivated under improved methods, 1,580 pounds of cotton were produced per acre, whereas the average acre yield under the old method was 720 pounds. On 5,000 acre plots scattered throughout the state, an average yield of corn per acre was 38 bushels, whereas the average state yield was 18 bushels. This shows that the time has come when the farmer needs more than strong soil, strong mules, and strong plows. He needs a trained brain. The revision of the tariff, the reformation of the currency are no more important problems—in fact, they do not approach in their possibilities of benefit this problem of agriculture.

Points to Exodus to Canada

"Last year an army of able-bodied farmers from the Northwest emigrated to Canada. Do you realize the economic loss? In antebellum days a negro was valued at \$1,000. We must place a valuation of at least \$5,000 on each of these farmers. Figure up what the nation lost. The men moved out because western farm lands were too expensive. Under the old system of agriculture they could not secure a proper return on the investment. But why do they go into Canada, I ask, when right here under the dome of the Capitol land may be secured for from \$30 to \$50 per acre, which is equally as good as any to be found elsewhere?"

America, Mr. Lever declared, has, through its department of agriculture, its state agricultural colleges, and its experiment stations, collected more agricultural data than any nation on the earth. It has failed to get it to the farmer, however, he added. His demonstrators will select plots as different sections throughout each county, and there show to the

(Continued on page 9)

Total
Resources
\$16,000,000

CITIZENS NATIONAL BANK
OF BALTIMORE

THE LARGEST AND STRONGEST NATIONAL BANK IN BALTIMORE

WM. H. O'CONNELL
President
ALBERT D. GRAHAM
V.-Pres. and Cash.
FRANK M. DUSHANE
Asst. Cashier

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President
SAMUEL S. CAMPBELL,
Vice-President
E. W. DAVENPORT
Vice-President
CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier
CHARLES E. FOX
Asst. Cashier
EDWIN T. ROSS
Asst. Cashier
RAYMOND B. COX
Asst. Cashier

Our Customers First

This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

CAPITAL AND SURPLUS, \$10,000,000.00

NEW TRUST COMPANY FOR BALTIMORE

Baltimore is to have a new trust company with capital of not less than \$1,000,000, in which Frank A. Munsey, Frank Gould and George W. Perkins will be interested. E. L. Norton, president of the Finance & Trust Co., of Baltimore, is mentioned as the probable president.

E. D. HULBERT ON MONEY SITUATION

E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, said: "Money has eased off somewhat this week. Underlying conditions are perfectly sound. We have a light credit balance in Europe which can be transferred here any time that is necessary. No one need have any anxiety about the money situation nor about the prosperity of the country for the coming year."

COUNCIL COMMITTEE PREPARES PRIVATE BANK BILL

A subcommittee of the council judiciary committee, consisting of Aldermen Mayer, Hazen and McInerney has prepared a draft of a private bank bill which will be recommended for passage to the state legislature. The bill provides for the issuance of certificates by the auditor of state and requires applicants to set forth under oath their financial standing. In large places the minimum capitalization permitted for a private bank is \$50,000; in cities of less than 50,000 population the capital need not exceed \$25,000 and the total amount of money borrowed from the bank by its owners cannot exceed one-twentieth of their assets invested. The owners also are prohibited from using the money of the depositors for real estate operations or for barter and trade in commodities. The words "bank" or "trust company" can be used only by persons holding a certificate. Persons doing business at the time the law goes into effect will be given three months in which to comply with its provisions.

FITZGERALD NOT GUILTY

George W. Fitzgerald, former subtreasury teller, was found not guilty of stealing \$173,000 from the government, by a jury in Judge Carpenter's court yesterday.

NEW YORK TRUST COMPANY MERGERS

Seven trust companies have been merged in New York City this year, viz.: Savoy Trust Company of New York and the Flatbush Trust Company of Brooklyn into the Broadway Trust Company of New York; the Trust Company of America into the Equitable Trust Company; the Manhattan Trust Company into the Bankers Trust Company; the Knickerbocker Trust Company and the Columbia Trust Company into the Columbia-Knickerbocker Trust Company, and the Standard Trust Company into the Guaranty Trust Company.

BRIGHT OUTLOOK FOR NORTHWEST

James J. Hill, when in New York this week, said: "Never in my fifty-seven years of experience in the Northwest have I seen the outlook more promising for general all-around business. This applies especially to the crop outlook, and upon the crops, of course, depends all the business fabric of the Northwest."

PLANNING FOR MICHIGAN CONVENTION

Michigan bankers already are beginning to plan for their 1913 convention. A large number of Wolverine bankers were guests of the Lansing Clearing House on Friday of last week at a six-course dinner served in the grill room of the Hotel Downey, at which plans for the next annual convention of the M. B. A. were discussed. B. F. Davis, president of the City National of Lansing and of the state association, presided. G. T. Barker, president of the Home Savings of Kalamazoo, gave the Lansing bankers a number of valuable pointers as to how the bankers ought to be treated when they assemble in Lansing for the next convention. Mr. Barker was chairman of the executive committee which had in charge the entertainment and comfort of the Michigan bankers when they met in Kalamazoo. Remarks were made by J. Edward Rowe, E. S. Porter and John S. Weston, directors of the Chamber of Commerce, promising the hearty co-operation of that organization in the entertainment of the bankers. A committee consisting of the local clearing house board and the presidents of the four banks was named to take charge of definite convention plans. They will select subcommittees and choose

the date and look after other details of the convention.

CHICAGO WIRE HOUSES LIGHTEN LOADS

Most Chicago houses report they have generally sold out their lines of long stock, and their customers show little disposition to again enter the market. Nothing develops of an especially encouraging character, though occasionally prices of some securities look temptingly low. There has been no evidence to date of the public entering the market. Indeed, throughout the entire advance in the list no general buying in volume appeared. For some reason the public has held off. It may be automobiles have had more attraction than stocks. Certainly that business has grown larger and has necessarily absorbed a great deal of capital that otherwise might have been invested. The extensive purchases of machines is not fully explained by the transfer of investments in horses and carriages to automobiles. There has been a class of buyers for machines that would not find it convenient to indulge in horses and stables.

HUGE GAIN IN BANKING POWER

The banking power of the United States, as revealed by figures recently made public by comptroller Murray, has more than doubled during the last twelve years. The banking power of the nation, represented by capital, surplus, profits, deposits and circulation, reached during the year the record total of \$22,548,707,000, an increase of 5.69 per cent over 1911 and 27.8 per cent over 1908. Since 1900 the banking power has increased 111 per cent; during the last twelve years the number of banks has increased more than 107 per cent, and their volume of business shows an increase of more than 127 per cent. The aggregate capital of eighteen of the national banks represents 16.72 per cent of the total.

DIVIDENDS

Northwest State has declared a quarterly dividend of $1\frac{3}{4}$ per cent, payable January 2d to stock of record December 24th. This increases the annual rate from 6 to 7 per cent and maintains the record of 1 per cent increase each year since 1910. Washington Park National has increased its rate from 6 to 8 per cent and Stockyards Savings from 8 to 12 per cent.

NEW ORLEANS BANK MAY INCREASE CAPITAL

An increase in the capital stock of the Hibernia Bank and Trust Company of New Orleans from \$1,000,000 to \$1,500,000 has been recommended by the board of directors. The proposition will be acted upon at the annual meeting of stockholders January 14, 1913.

Jas. B. Lamberton of Victoria, Ia., has succeeded Wm. Ontjes as cashier of the Sioux Falls (S. D.) Savings Bank. Mr. Ontjes has been advanced to vice-president.

Public Welfare

There are certain utilities that are absolutely necessary for the public welfare. Individuals require food, shelter, and clothing—municipalities require light and transportation. The former are our private necessities; the latter, our public necessities.

For this reason the companies that supply public utilities receive revenue from a dependable source, little affected during periods of industrial depressions. With the natural growth in population, the market for public utilities is also a constantly increasing one.

Send for our circular giving a selected list of public utilities securities to yield at present prices an average income of 5.75%.

Ask for Circular P-124.

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Capital and Surplus - \$30,000,000.00
Deposits - \$189,000,000.00



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CENTRAL TRUST COMPANY OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

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J. N. Dolley Replies to Investment Bankers Association

My attention has been called to the fact that the Investment Bankers Association of America, in convention assembled at New York City, criticised the Kansas "Blue Sky" law as being paternalistic and against the interests of the investment banker. It was claimed by some at that convention that it was based on the wrong principles and that it should not be left to the judgment of any certain man or set of men to pass upon the prospects of any kind of investment covered by the Kansas "Blue Sky" law, and it further was insinuated that it should be arranged in such a manner that applicants could make the proper application, pay a certain fee and secure the permit, without the supervising department taking the time thoroughly to investigate the applicants or the securities they might handle; or, in other words, make the law a revenue producer, rather than for the protection of the investing public. Such a course, would make the law absolutely useless and ineffective.

I believe that the Kansas law is founded on exactly the right principles, with the exception that special provision should be made for the investment banker, or any other person, firm or corporation dealing exclusively in stocks and bonds. The Kansas legislature, when it meets next month will be asked to amend the law so as to provide for a special blanket permit for the investment banker and others dealing exclusively in stocks and bonds, requiring them to file the statements, etc., required by the law in regard to their own bank or firm, so that the banking department may investigate their reputation, both as to the class of securities they handle and along other lines. When they satisfy the banking department that they handle nothing but first class securities and their reputation along other lines is found satisfactory, the bank commissioner may issue them a permit entitling them to handle such stocks or bonds as they desire by merely filing a list from time to time of such securities as they are handling, doing away with the necessity of investigating each particular issue, but reserving the right to revoke such permit at any time it is found that the banker or company in question is handling questionable securities.

With this provision in the law, I see no reason why any legitimate investment banker should object to it. The only delay in the matter would be when the investment banker makes application, when it would be necessary to investigate the applicant thoroughly, which should not take long. After the appli-

Distinguished author of the famous "Blue-Sky" bill defends its provisions but agrees that an amendment relieving the burden it imposes upon legitimate bond houses should be added.

Bankers likely to accept his ideas

cant had been granted a permit, they would be at liberty to proceed with their sales, as fast as they desired. The investigation of the applicant cannot be disposed of without defeating the purpose and effect of the law, and I believe that every legitimate investment banker courts proper investigation.

The investment banker who deals in nothing but first class securities is in favor of and ought to be protected by legislation which will prohibit the sale of worthless securities by some member of their profession, and there are many of them who deal exclusively in a class of securities that are questionable or absolutely worthless.

This provision should have been put in the Kansas "Blue Sky" law at the time it was enacted, but it was not thought necessary for the reason that Kansas had no large investment bankers or other firms and corporations dealing exclusively in stocks and bonds at that time.

The Kansas law has saved the Kansas people more money during the time it has

been in operation than it takes to run our entire state government, and this money was largely saved to a class of citizens who can least afford to lose it, whose knowledge of business is limited, and they are more or less at the mercy of the dishonesty and shrewdness of this class of confidence men and thieves. I believe that any law which accomplishes such results should be upheld by our citizens and all honest and reputable business organizations, and if found against the interest of any special class of legitimate business, but at the same time in the interest of a large majority of our people, that special class should seek its amendment in that particular and not condemn the whole law, and give the enemies of legitimate business, who in this case is the illegitimate investment banker, a chance to use their actions and statements in defeating one of the best laws ever enacted. This is practically what the Investment Bankers Association has done.

The legitimate investment banker should be heartily in favor of legislation along the line of the Kansas "Blue Sky" law, and I trust that when it is amended as I have suggested, making special provision for them, that they heartily will endorse and support it and not make the mistake of insisting upon its being so amended as to destroy its effectiveness.

I am pleased to say that the greater number of the investment bankers of the country deal mostly in legitimate and honest securities, but I wish to say that many of them deal largely in worthless stocks, bonds, securities, and other "Blue Sky" investments, that need close supervision by the government and state to protect not only the more or less helpless investing public, but as a necessary protection to the honest and legitimate investment banker. The government and state are making decided progress as to close supervision of banks and reducing to the lowest possible minimum the loss to the depositing public through failed banks. The government and states can do as great or a greater work supervising the sales of stocks, bonds and other securities to the investing public. I might say as a comparison, the public has been robbed of \$10 through dishonest sellers of stocks, bonds and other securities where they have been robbed of \$1 through failed banks.

If anyone will take the time to investigate conditions here, they will find that the Kansas people strongly are in favor of the law and that it is being supported by all legitimate companies.

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Touches upon pro-
posed banking and
financial legislation
by congress

WASHINGTON LETTER

By R. A. ALBERTSEN

Relates to administra-
tive and department
matters interesting to
our readers

Washington, D. C., December 20th.—National banks are observing more strictly the statute requirements of a reserve of 25 per cent of deposits, according to the annual report of Comptroller of the Currency Murray. The comptroller during the last year has conducted a vigorous campaign to compel delinquent institutions to maintain the minimum amount. On April 18th last, Chicago and St. Louis reserve banks were deficient .13 of 1 per cent, but on June 14th, St. Louis alone of the three central reserve cities, was deficient. On September 4th, New York and Chicago were slightly deficient.

Government Fairness to Big Business

Charles Nagel, secretary of commerce and labor, would sharply define and restrict the powers and discretion of the proposed federal commission to regulate industrial corporations. In his annual report submitted to President Taft, the secretary opposes the endowment of such a commission, if created by congress, with far-reaching powers equal to those exercised by the interstate commerce commission over railroads. He disapproves the suggestion that the commission have authority to fix prices of commodities. Epitomizing his doctrine for governmental supervision of business, Mr. Nagel says:

"Instead of pressing federal regulation as far as possible, the real desideratum in legislation affecting the country's business should be to preserve, to the greatest extent consistent with the public welfare, the element of self-regulation. The effort should be to lay down principles of conduct sufficiently specific

to impose desired restraints, at the same time leaving a wide field for individual achievement."

U. S. to Conserve Water Power

A comprehensive water power policy for streams upon the public domain and navigable streams not on the public domain, is urged by the secretary of the interior, Walter L. Fisher, in his annual report submitted to President Taft. As important to the welfare of the country he recommends an enlarged application of the leasing principle as applied to the public domain in general; a comprehensive leasing law for coal, oil, and other mineral lands, and laws providing for the classification of public lands according to their respective characteristics and appropriate uses, and administration in accordance therewith. Secretary Fisher also declares in favor of legislation for the development of the transportation facilities and the coal lands of Alaska, and for the withdrawal from entry of public lands in the West needed to conserve the water supply at the sources of streams.

Defend System of Bank Clearings

In reopening the "money trust" investigation, the Pujo committee to-day started on a

new line of inquiry and called to the stand a number of bankers to testify as to the operations of clearing houses. In nearly every instance the witness was asked if he would favor regulation and the incorporation of clearing houses. The answers were either opposed to the suggestion or the witnesses answered that they were not prepared to express an opinion on that matter. Even bankers whose institutions had been refused permission to clear through clearing houses refused to say they favored incorporation and regulation.

Why Does He Do It?

Mr. Underwood's declaration that they are going to revise the tariff "from agate to zinc," raises screams charging partiality. Why do they neglect absinthe, acetate of lead, aconite, acorns and agar-agar at one end of the list, and zwieback at the other?

Flinn Carrying T. R. Banner

Former Senator William Flinn of Pittsburgh, who was here this week, left no doubt to-night about the future of the Washington party in Pennsylvania. It will go on, he said, with its candidates for all the offices to be filled at next fall's election. The city and county organizations are to be perfected immediately after the first of the year. The new party will have a candidate for mayor of Pittsburgh, for coroner, sheriff and district attorney of Allegheny county. And a particularly hard battle will be made to elect the latter official.

Tinkering the Sherman Law

A growing disposition among congressmen is reported from Washington toward making

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Capital . . . \$2,000,000
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 HARRY LAWTON, Mgr. Foreign Dept.

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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no effort at amendment of the Sherman anti-trust law until after the supreme court has passed upon a number of additional cases pending before it. That tribunal has, within the past several years, decided a number of suits brought under the Sherman law against combinations in restraint of trade, into which it has put much of interpretation, and much of direction and guidance for offices of the law charged with its enforcement. It is fair to presume that these lines of reasoning and application will be followed in the decisions yet to be handed down. After these decisions are made, it may be as plain to congress as it has long been to others that the Sherman law, rightly interpreted and enforced, is in need of no material amendment.

WASHINGTON BANKERS ENDORSE THE LEVER BILL

(Continued from page 5)

farmer what cultivation under the method which their experimenting has revealed will result in.

Sees Menace in Idle Men

In making his appeal for the support of the bankers in the "Athens of America," Mr. Lever pointed to the fact that recently in Madison Square, in New York, he found one morning probably 1,000 men asleep on the benches. The men, he said, he was told would not work.

"I could see in those idle men the greatest menace to the safety of the country," declared the speaker. "When the red flag of anarchy goes up, and the rumble of revolution resounds, it will not be the cities, but the hills and valleys, the home of conservatism, that will supply the defense for the nations."

A. G. Clapham, president of the Commercial National Bank, presented the report of the committee recently appointed to confer with the clearing house of New York, with a view to having that institution place Washington banks upon a parity with the banks of Baltimore, Philadelphia, and other cities, by making this city a "discretionary" point. Mr. Clapham said that he had corresponded with the inland exchange committee, which recently recommended that certain of the eastern states be relieved from the payment of exchange. As this committee has completed its work, Mr. Clapham said that it would be necessary for Washington bankers to deal directly with the clearing house committee.

Referred to a Committee

This committee, he said, would doubtless, if it were desired, place Washington on an equal footing with regard to exchange with the banks of the eastern states, but, he added, it appears to be the opinion that the Washington bankers do not care to assume the privileges by being compelled to make daily remittances to New York. The question was referred to a committee composed of the presidents of all the national banks in the city. Mr. Bell made the motion.

M. I. Weller, president of the East Washington Savings Bank, endeavored to have the

association sanction the immediate introduction in congress of the bill which it had prepared, providing a method of incorporation for banks which desire to do business of state banks. At present all such organizations are required to incorporate in some of the states.

If adopted, it would occasion all banks operating under charters of states to reincorporate under the new law. As Mr. Weller and his associates, however, could not give assurance that the bill, if introduced in the present congress, would be passed without amendment, the question went over to the next meeting.

Five banks were admitted to membership in the association. They are the Citizens Savings Bank, the McLachlan Banking Corporation, the United State Savings Bank, the Washington and Southern Bank, and the North Capitol Street Savings Bank. The Seventh Street Savings Bank filed application for membership, which will be acted upon at the next meeting.

CHICAGO BANK TELLER HELD

N. G. Antonopoulos, foreign teller in the Mid-City Trust and Savings, located at Madison and Halsted Streets, has been held to the grand jury on two charges of operating a confidence game. His bond has been fixed at \$6,000.

LINCOLN STATE SAVINGS OFFERS APARTMENT BUILDING BONDS

Lincoln State Savings, located at 6 East 31st Street, owns and offers for sale the unsold portion of \$28,000 of 5 per cent first mortgage gold bonds of the Jefferson Avenue apartments, 5201-3 Jefferson Avenue.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Wed., January 15, 1913, to stockholders of record at the close of business on Tues., December 31, 1912.

WILLIAM R. DRIVER, Treasurer.



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

D. A. Wyckoff, cashier of the First Trust and Savings Bank of Alton, and formerly treasurer of the Illinois Bankers Association, reports the best of industrial and financial conditions existing in his city, and states that Alton now is entering upon one of its most prosperous periods in its long and historic life. While Alton is one of the old cities of the state, rich in historic incidents like the Elijah P. Lovejoy murder in 1837, other stirring episodes of the slavery agitation, the last of the Lincoln-Douglas debates in 1858 and other interesting events, yet the community is aroused to-day as never before to the wealth of commercial and industrial activity before it. Mr. Wyckoff writes in a very interesting way as follows:

"Alton is enjoying one of the most prosperous eras in its existence of one hundred and twenty-three years. This primarily is due to its industrial, commercial and civic awakening, for which the board of trade, organized sixteen months ago, chiefly is responsible. Our venerable city has been rejuvenated. A new spirit prevails.

"Within the past three months, through the board of trade, Alton has landed a new \$1,500,000 state hospital for the insane, a \$50,000 foundry and machine works and a \$750,000 hoop steel mill. This, it is estimated, will increase the population more than 3,000 within the coming year.

"In addition to this, the Illinois Glass Company is spending \$1,000,000 for new machinery, additional buildings and general improvements. The Standard Oil Company also is doubling the capacity of its Wood River Refinery. In the spring, work will be begun on the construction of a \$200,000 drainage district in Wood River township, which will transform several thousand acres of lowland into the best manufacturing sites in the American bottoms.

"The Piasa Light & Power Company, which has invaded the local field and captured the city lighting contract for twenty years, will erect a plant to cost \$200,000. The Alton Gas and Electric Company, its rival, will double the capacity of its present power-house at a cost of \$150,000. The competition between these two companies is giving Alton manufacturers cheaper power than can be

furnished from the Keokuk dam. The Western Cartridge Company has made surveys to build a new plant and to triple the capacity of its present one. It will employ about 600 persons when in full operation.

"Before the holidays, 'White Ways,' with a new system of ornamental lights, will be established in the leading retail districts. New stores are being constructed and the obsolete retail establishments are being remodeled and brought up to date. Nine large state conventions have been secured for Alton for 1913. As a result of this activity, our five banks are enjoying increased business, with better prospects than they ever have had before."

W. E. C. Clifford Assistant Treasurer

W. E. Cass Clifford, paying teller in the First National of Champaign, has been appointed assistant state treasurer by Treasurer-elect William Ryan. He will take up his duties in Springfield January 2d, succeeding in that position Andrew Russel, the well-known Jacksonville banker. The appointment comes as an honor to Mr. Clifford, as he is in no sense a politician, yet has been a democrat all his life. Mr. Ryan desired an assistant who was not a politician. Mr. Clifford will have full charge of the office with twenty-two men under him.

Mr. Clifford was born in Champaign, is a former student of the University of Illinois and a member of the Kappa Sigma fraternity. He has served as secretary and Exalted Ruler of the Champaign Elks, and is prominent in the Knights of Columbus. He attended the

national Elks convention in Portland, Ore., last summer. The Harrises and Cashier Capron of the First National of Champaign are delighted with his appointment, although they are losing a valuable man, and a wide circle of friends congratulate him.

Two New State Banks

State Auditor McCollough has issued a permit for the incorporation of the Farmers State Bank of Eureka, a few miles east of Peoria. Eureka, county seat of Woodford county, is in the center of a rich agricultural community. The new state bank will take the place of the Farmers Bank, a private bank, and the permit was issued to J. P. Darst, J. A. McGuire, M. L. Harper, who were president, vice-president and cashier respectively, of the private bank, and T. J. McGuire. The capital will be \$50,000.

A permit has been issued to John R. Potter, Wayne Stubblefield and E. E. Darnall, for the incorporation of the Farmers State Bank of Hopedale, Tazewell county. This is the second bank for Hopedale, the other being the Hopedale National. The capital will be \$25,000.

Danville Clearing House Association

The first clearing house association has been formed in Danville with all of the banks entering into the agreement. The banking business of Danville has become so large that

F. E. FARRELL, President E. E. CRABTREE, Vice-President	H. H. POTTER, Cashier M. W. OSBORNE, Assistant Cashier
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Fidelity and Forgery BONDS Burglary Insurance	National Surety Company ILLINOIS ADVISORY BOARD <table border="0" style="width: 100%;"> <tr> <td>Charles G. Dawes, Resident Vice-President</td> <td>John A. Spoor, David R. Forgan, Resident Directors</td> </tr> <tr> <td>A. J. Earling John S. Runnells Walter H. Wilson S. M. Felton George M. Reynolds</td> <td></td> </tr> </table>	Charles G. Dawes, Resident Vice-President	John A. Spoor, David R. Forgan, Resident Directors	A. J. Earling John S. Runnells Walter H. Wilson S. M. Felton George M. Reynolds		Joyce & Company (Incorporated) General Agents The Rookery Chicago
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the mutual understandings between the banks are no longer sufficient, so that the clearing house association is the solution of the problem. C. L. English, president of the First National, is president of the organization; M. J. Wolford, president of the Palmer National, is vice-president; George W. Telling, cashier of the Commercial Trust and Savings, is secretary, and A. M. Bushnell, president of the American Bank and Trust Company, is the treasurer. The six banks of Danville have each a director on the clearing house board.

Savings Deposits Gain

A summary of the state bank reports of November 27th, made by the state auditor, shows a large increase in savings accounts and in surplus. Total deposits, however, decrease, owing very largely to the slow marketing of the corn crop. There are 618 state banks in Illinois, including Chicago.

Illinois Notes

Daniel Crabb, cashier of the Tazewell County National of Delavan, and a former treasurer of the Illinois Bankers Association, has returned home from New York City, where he has been recuperating his health, which has recently been very poor.

Louis N. Seaman and Melvin C. Jocelyn, formerly cashier and assistant cashier respectively of the Elgin National Bank, are under indictment charged with misappropriation of the funds of the institution. They pleaded not guilty.

The Illinois State Savings of Pontiac reports deposits of practically \$400,000. E. M. Johnson is the president and M. H. Greenebaum is the cashier.

The Bank of Niantic, near Springfield, was damaged by fire, the flames originating in the basement. The building of the Bank of Grafton, near Alton, has been destroyed by fire.

H. G. Herget, one of the vice-presidents of the Herget National of Pekin, was recently elected first vice-president of the Illinois Manufacturers Association.

Freeport had a "Made-in-Freeport" exhibition which showed that over fifty articles were made in that busy community. These shows have been held elsewhere in the state and are good advertisers for busy cities like Freeport, Peoria, Bloomington and many others.

The state educational commission will recommend a bill in the next general assembly

providing for vocational education in the public schools of Illinois. While there will be considerable opposition to the bill, yet the bankers of the state hope that it will be passed. State Superintendent of Instruction Blair is in favor of the bill.

Sir Knight William B. Melish, grand master of the grand encampment of the Knights Templar of the United States and Canada, has notified the Champaign Commandery that he will visit their asylum on Christmas Day. While in Champaign he will be entertained in the family of his son-in-law, Sir Knight B. F. Harris, vice-president of the First National of that city and formerly president of the Illinois Bankers Association.

B. F. Caldwell, formerly president of the Farmers National of Springfield, spoke recently at the noon day luncheon of the Springfield Commercial Association on "The Mutual Interests of Sangamon County Farmers and Springfield Business Men." The Champaign Chamber of Commerce planned a luncheon for the fellowship of city business men and farmers of the county. The old differences between the town and the country are rapidly disappearing.

State Auditor-elect James J. Brady, with whom Illinois state bankers will necessarily have dealings during the next four years, has taken the house at 721 South Douglas Avenue, Springfield, where he will be at home

with his mother and sister. Retiring Auditor James S. McCollough, who during the past sixteen years has become widely acquainted with the bankers of the state, will return to his old home in Urbana, near which city he has valuable real estate holdings.

FORT DEARBORN TO HOLD ELECTION

The annual meeting of the stockholders of the Fort Dearborn National will be held in the banking rooms of the bank at 10 A. M., Tuesday, January 14, 1913, for the purpose of electing directors and the transaction of any other business which may come before the meeting.

EMPLOYEE OF UNION TRUST DIES

William R. Gibbons, employed by the Union Trust Company of Chicago as a watchman, was killed last Saturday night by the accidental discharge of a revolver. Gibbons formerly was a Chicago policeman and was known to many as "Smiling Bill." He was preparing for a bath when his revolver fell from his pocket and was discharged.

S. W. STRAUS & CO. TO INCREASE CAPITAL

The board of directors of S. W. Straus & Co., mortgage and bond brokers with offices in Chicago and New York, have approved a proposition to increase the capital stock of the company to \$1,100,000. Some new names have been added to the list of officers, which is as follows: S. W. Strauss, president; S. J. T. Straus, first vice-president; Lawrence F. Stern, second vice-president; Melvin L. Straus, secretary; Sidney H. Kahn, treasurer; Nicholas Roberts, manager of the bond department; Charles H. Gokler, auditor and H. B. Matthews, publicity manager. The company was founded in 1882. S. W. Straus, the president, also is head of the Franklin Trust and Savings, which recently opened for business on the South Side. During the short time this bank has been in existence it has had a phenomenal growth.

RETURNS FROM NEW YORK

John J. Mitchell, president of the Illinois Trust and Savings, returned from New York this week.

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Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 A. M. to 9 P. M.

661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Milwaukee banks are sharing in the holiday rush of business which, unlike that of the retail stores, will continue until January 1st. Interest is being figured on depositors' accounts and business men generally are engaging in new ventures and winding up old ones with a consequent heavy exchange of money. There also are heavy dividend and interest disbursements to arrange for the corporations.

Large Dividends for Milwaukee Banks

It has been estimated that Milwaukee's eighteen larger banks will pay out dividends to their stockholders of approximately \$718,400 by January 1st. The combined capitalization of these banks is \$8,980,000 and does not include that of several smaller banks, private in nature, and operated mostly for the accommodation of savings accounts. Total dividends received by Milwaukee stockholders of banks and corporations both local and out-of-town, are estimated at \$4,000,000. This includes \$718,400 from the banks, \$387,500 in quarterly dividends of the Milwaukee Electric Railway and Light Company, and \$1,600,000 from Milwaukee manufacturing concerns.

Secretary Bartlett to Speak

Secretary George D. Bartlett of the Wisconsin Bankers Association goes to Mosinee Saturday to speak at the Mosinee agricultural contest, which is one of the closing ones of the series held this fall under the auspices of the W. B. A.

Banker Supposed to Have Been Buried May Be Alive

A persistent rumor to the effect that Fritz Karste, a former banker of Sheboygan, Wis., who was believed by everybody to have been buried last May, still is alive, has been circulated of late. It is said that he was seen on the streets of Hamburg, Germany. The bank with which he was connected was found to be short a large sum of money. It also was believed that Police Chief Scheck died last spring, but now it is reported that he is in Germany looking for Karste. It is said that the Karste "funeral" was conducted with great secrecy.

Wisconsin Bank to Increase Capital

At the annual meeting of the First National Bank at Grand Rapids, Wis., on January 14th, the stockholders will vote on the plan perfected by the directors to increase the capital stock of the bank to \$100,000 and the surplus to \$50,000.

Wisconsin Notes

Walter Kasten, assistant cashier of the Wisconsin National, has returned from a tour of the state banks having accounts with the Wisconsin National.

The new building of the Curtis State Bank at Curtis is nearly completed and will be the scene of a New Year's housewarming by the bank on January 1st.

The State Bank of Crevitz, Marinette county, was authorized by Commissioner of Banking A. E. Kuolt this week. The bank is capi-

talized at \$10,000. J. O. Rollins is president, B. P. Gould vice-president, and H. Redding cashier.

Mrs. Anna H. Wells, widow of a pioneer banker of Fond du Lac, died last week at that place. An estate valued at \$53,000 is distributed among three nephews and two brothers, according to the terms of the will.

The First National Bank and the First Savings and Trust Company are contemplating a pension system for employees. The details of the system are at present being worked out and will be announced later.

Work on the new home of the Citizens State Bank of Fond du Lac is progressing rapidly, and the fixtures will be ready for installation in a few days. It is expected to have the building ready for occupancy by January 1st.

Roy D. Chapin, president of Hudson Motor Co., and Henry Ford, president of Ford Motor Co., have been elected directors of the old Detroit National.

The First National Bank of Tifton, Ga., has been placed in voluntary liquidation to be consolidated with the National Bank of Tifton.

E. Crook, cashier of the Farmers State Bank of Winner, S. D., has been elected president and Bryce Campbell takes his place, after two years as assistant.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 615,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
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Our experience is of value to you because it is gained in the successful building of 78 dams to date (August 1, 1912), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

Association of Reserve City Bankers Formed

The traveling representatives and transit men of many of the important reserve city banks of the country assembled at the Hotel LaSalle on Saturday, December 14th, at the call of G. H. Mueller, vice-president of the Fletcher-American National, Indianapolis. Some two years ago, during the Indiana state convention at Indianapolis, Mr. Mueller acted as host at a dinner to the reserve city men attending the convention. The entertainment was repeated again last October at the Columbia Club during the Indiana convention, when the suggestion was made that it might be well to form a permanent organization to study conditions and to endeavor to improve on certain banking customs prevailing in many of the reserve centers, as well as those indulged in by the interior banks, which, if made uniform, would be to the advantage of both the city and interior banks as well as to the general public.

Subsequently a call was issued under the name of "The Flying Squadron of America," but when the meeting was called to order in the college room of the LaSalle Hotel last Saturday, one of the first statements made by President Mueller was the one which changed the name of the organization to the "Association of Reserve City Bankers," which finally was adopted as more suitable. Then followed the reading of the by-laws by E. E. Gates, attorney for the Fletcher-American National of Indianapolis. The only feature of the by-laws which caused any discussion was that portion relating to membership, and the question was raised as to whether it should be based on the banks or the individuals representing the banks; it finally was decided that the individual bankers should constitute the membership. The name of the bank with which the individual is connected will be

"The Flying Squadron of America" changes its name at meeting held in Chicago. Permanent organization effected, its objects being to foster the advancement of all members and their banks, to discourage and correct abuses, and to prevent and adjust controversies

called, and as many representatives of the bank as desire to pay the annual dues of \$10 can be identified with the organization, but upon a roll call in any matter pertaining to the business of the association, the bank whose name is called shall be entitled to but one vote. Adoption of the by-laws, the enrollment of delegates present and their election to membership constituted the morning's proceedings. The meeting adjourned at 11:30, to assemble again at 2 o'clock.

Promptly at the time set, the afternoon meeting was called to order by President Mueller, who made an announcement as to the afternoon's program. The election of officers held immediately after convening in the afternoon, resulted in the choosing of G. H. Mueller as president; C. S. Haughwout, cashier of the First National of Denver, was elected vice-president. The secretary and treasurer will be chosen later by the board of directors, which is as follows: Thomas Hildt, cashier of the National Bank of Commerce, Baltimore; James G. Wakefield, assistant cashier of the Corn Exchange National, Chicago; H. D. Ormsby, cashier of the National Bank of Kentucky, Louisville; J. W. Staley, vice-president of the First National of Detroit; Harry J. Haas, assistant cashier of the First National of Philadelphia; J. D. Gillespie, acting manager of the Dallas (Tex.) Clearing House; E. B.

Clare-Avery, assistant cashier of the Merchants-LaCiede National of St. Louis.

The first paper of the afternoon session was presented by C. R. McKay, manager of the transit department of the First National of Chicago, who strongly presented the Chicago situation as it relates to the handling of city and country checks under the present clearing house rules. He also made suggestions as to changes which might be made with advantage to all concerned. The next speaker was Jerome Thralls, manager of the Kansas City Clearing House. Mr. Thralls gave in a clear and convincing manner the story of conditions that prevailed in Kansas City and surrounding territory before they investigated and adopted the Boston or New England clearing house plan for handling country checks, and then told in a most interesting way of the results which have been secured to the Kansas City banks as well as to the general public by this change. K. H. Woodward, assistant cashier of the Colorado National of Denver, told of the situation in that city with respect to clearing house charges, giving the reasons for their position. The necessity of shipping gold, owing to the location of the United States mint at their point, to create eastern exchange, places them in rather a peculiar position.

The next speaker was J. W. Staley, vice-president of the First National of Detroit. Mr. Staley made a most convincing speech and expressed himself strongly and forcefully for reform. In passing, he awakened the delegates from Philadelphia and caused those from Pittsburgh to take notice by referring to Philadelphia as "our respectful but somnambulist, historical city" and "Four per cent Pittsburgh." Mr. Staley urged the association
(Continued on page 25)



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, December 18th.—The demand for money during the past week has been more than fair and came from all classes of customers. Rates held firm at $5\frac{1}{2}$ to 6 per cent on call and time loans. New York exchange has been in very good demand. The volume of business transacted at the financial institutions has been large and entirely satisfactory.

Urges Long Farm Loans

The establishment of mortgage banks in the United States was suggested as a solution for the question of "Farm Finance" by George Woodruff, president of the First National of Joliet, Ill., who spoke at a luncheon of the Business Men's League in the Mercantile Club to-day. "Under such a system," he said, "a farmer could borrow \$1,000 on his farm at 8 per cent, payable semiannually. At the end of thirty years he would have completely paid off the loan and would have a clear title to the farm, which he probably partly paid for with the \$1,000 he borrowed. Six per cent of the 8 per cent would be for interest, 1.227 per cent for amortization and .773 per cent for expenses and profits." "Under such a system," Mr. Woodruff added, "the farmer always will have an institution ready to advance him money without delay on a long-time amortization principle. He always will get as good a rate of interest as any one else, will never be compelled to pay renewal commissions or fees and will not be subject to the many legal charges now made in connection with frequent renewal of loans."

The need for the establishment of agricultural personal credit banks also was discussed by Mr. Woodruff. The many small banks in every town in the country practically supplant the personal credit institutions in Europe, he said. However, American banks lack a great central organization to which they can turn in time of need. If a plan for a national reserve organization can be worked out, the small country bank will be able to command for its local agricultural interests credit facilities equal to those of any other industry in the nation. Mr. Woodruff said that the United States is going through a great social revolution because the pioneer days of the nation are over and it is beginning to confront the social and industrial problems that European nations have battled with.

Title Guaranty Extra Dividend

An extra dividend of one per cent was declared by the Title Guaranty Trust Company at the monthly meeting of the board of directors last week. The extra dividend is an addition to the regular quarterly dividend of one per cent. The two dividends will be paid January 1st, to stockholders of record December 20th. The capital stock of the Title Guar-

anty Trust being \$2,500,000, \$50,000 will be disbursed in the two dividends.

To Build New Mexican Road

Preliminary to the construction of a new railroad to Mexico, J. Gilman Miller, representing capitalists of St. Louis, has been spending several weeks in the republic looking over the ground and gathering data on the advisability of such a project. Mr. Miller says: "I believe the trouble in Mexico will be settled soon and then there will be a great opportunity for capital. At the present time I am not in a position to say just where we propose to build our railroad, but with the reports I have to make there is no doubt that within the next three months actual work on the road will commence."

Modena Bank Robbed

Five men robbed the Bank of Modena of \$3,000 yesterday morning, terrorized two hundred inhabitants of the town by shooting at everyone whom they could see, and escaped, presumably in buggies. It required four charges of explosives and forty minutes' time to blow the safe. The building was wrecked.

Callaway Bank Deposits Gain

Deposits in the twelve banks of Callaway County on November 26th, were \$1,827,973.46 according to statements made by them to the federal and state banking departments, showing an increase of \$103,029.58 over December 5, 1911. The loans on November 26th amounted to \$2,290,826.59, which was \$129,242.28 more than the loans of the same period last year. In 1911 the banks had \$120,000 borrowed, while now they have \$163,000 borrowed.

Defunct Bank to be Merged

Arrangements have been completed by John K. Woods, national bank examiner in charge of the First National Bank of Wilburton, which recently closed its doors, whereby the Latimer County National Bank will take over

the assets of the First National and pay all the depositors in full. The bank failed for \$65,000 because of poor collections.

Tulsa Gets Dry Farming Meeting

Announcement has been made that the 1913 convention of the International Dry Farming Congress will be held in Tulsa, Okla., October 22d to November 1st, inclusive.

Charter for Oklahoma Bank

A charter had been issued to the Keota National Bank, Keota, Okla.; capital \$25,000.

Texas Corn Crop Larger

According to the last report issued by the secretary of the Department of Agriculture, the acreage planted to corn in the Lone Star State in 1912 was 7,300,000 acres, compared with 9,240,000 acres in 1911, a decrease of 1,940,000 acres. Notwithstanding the decrease in acreage, the total production of the 1912 crop was 153,300,000 bushels, which exceeded that of 1911 by 83,950,000 bushels. The production per acre in Texas increased from 9.5 bushels in 1911 to 21 bushels in 1912. The Texas crop not only increased in quantity but also in quality. The quality in 1912 was 78 per cent, compared with 61 per cent in 1911, an increase of 17 per cent.

\$250,000 Bank for Texas

An application has been made to the comptroller of the currency to organize the Merchants National Bank of Dallas, Tex., capital \$250,000. A charter has been issued to the First National Bank of Mount Calm, Tex., capital \$50,000, which succeeds the J. B. McDaniel Bank of Mount Calm.

Offers Reward for Bank Robbers

Governor Colquitt of Texas has offered a reward of \$500 for the capture and conviction of each of the Kyle bank robbers. It is understood a like amount will be offered by the Texas Bankers Association. The Kyle State Bank was robbed early Monday morning by four masked men who bound and gagged the watchman, locked him in a box car and escaped with \$17,000 of the bank's funds. Three charges of nitroglycerin were fired and the vault of the bank was wrecked.

Knoxville Bankers Arrested

Warrants were served yesterday on W. H. Gass, president, and W. W. Willis, cashier of the Knoxville (Tenn.) Banking and Trust Company, charging them with receiving a deposit after having knowledge of the financial embarrassment of the bank. They waived examination and made bond for their appearance in criminal court. The warrant was a sequel to the closing of the bank's doors on

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

☞ United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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HARDEN L. CRAWFORD
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AUGUST HECKSCHER
 Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
 Vice-President

Capital and Surplus
\$3,000,000

THE
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AND
PHENIX
NATIONAL
BANK
New York

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HENRY L. CADMUS, Assistant Cashier
WALTER B. BOICE, Assistant Cashier
RICHARD H. HIGGINS, Vice-President
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HENRY C. HOOLEY, Assistant Cashier
GEORGE M. HARD, Chairman

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Resources, Twenty-five Million Dollars

Capital
\$2,000,000

Surplus
\$2,000,000

NATIONAL BANK
3rd
OF ST. LOUIS

Deposits, \$35,000,000

Officers
C. H. HUTTIG, President
F. O. WATTS, Vice-Pres.
T. WRIGHT, Vice-Pres.
R. S. HAWES, Vice-Pres.
J. R. COOKE, Cashier
D'A. P. COOKE, Asst. Cash.
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E. C. STUART, Asst. Cash.

R. R. Donnelley & Sons Company



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Corner Plymouth Place and Polk Street

CHICAGO

Tuesday for voluntary liquidation in a receivership.

Bloomfield Bank Reopened

The City Bank of Bloomfield which was closed three weeks ago by George and Rudolph Houck and E. J. Williams, directors and principal stockholders, on discovering that A. D. Wilcox, cashier and cousin of the directors, was short, has been reopened with funds enough in its vaults to pay dollar for dollar all its obligations, including its deposits. Before it was known by anyone that the bank was in trouble, the directors called in the state bank commissioner and placed a written guaranty on the door that all depositors would be paid. Its capital and surplus were \$30,000. This was wholly dissipated and the deficit totaled more than \$90,000. One hundred thousand dollars' worth of property owned individually by the Houcks was turned over by them to make good the loss. The cashier has been arrested, charged with embezzlement, and has given bond. Other charges are expected to be made against him. Carl Webber, president, and F. A. Branock, cashier, of the reorganized bank, are in charge solely to wind up its affairs and pay all obligations. Very few deposits have been withdrawn from the reorganized bank. On turning the bank over to the officials of the reorganized company, Bank Commissioner Plank said that much credit was due all those who had participated in its organization.

The Kewanee (Ill.) National has been converted into a state bank under the name of the Kewanee State Savings Bank and Trust Company. It had been a national bank twenty years.

TRUST COMPANY FOR ST. LOUIS

It is rumored that St. Louis is to have a new trust company with capital stock of \$200,000. Several prominent men are said to be interested in the new enterprise, among whom are Governor Hadley, Jesse Tolerton, Walsh M. Wade, Walter S. Dickey, F. E. Miller and L. E. Shattuck, the last two of Kansas City and Springfield respectively.

CRITICISES CONSTRUCTION PLACED UPON ILLINOIS STATE REVENUE LAW

The following letter has been received from O. L. Hiser, cashier of the State Bank of Lexington, and treasurer of the Illinois Bankers Association, in which he complains against the construction placed upon section 35 of the Illinois state revenue law:

"We are in receipt of a letter from the Springfield internal revenue office, saying to us that the department at Washington has ruled that 'while it has been the universal practice of incorporated banks, in preparing their returns of annual income, to include in their deductions, under item 7 (a), the taxes paid on their capital stock; as this tax, levied under the Illinois state law, is assessed against the stockholders and not against the bank, it therefore is not an obligation of the bank, and

not a proper item for deduction in preparing their return' in compliance with the requirement of the federal income tax law.

"This ruling is based as set forth in the letter, upon a part of Section 35 of the Illinois state revenue law, regarding the assessment of state and national banks. That part of said Section 35 as set out in the letter reads as follows: 'The stockholders of every kind of incorporated bank located within this state, whether such bank has been organized under the banking laws of this state, or of the United States, shall be assessed and taxed upon the value of their shares therein.'

"Upon a part of Section 35 down to a comma after the word 'therein,' a ruling has been made which means that every incorporated bank located within this state, if its annual net income exceeds \$5,000 per year, shall pay a tax to the federal government, upon a tax, imposed and collected by the state government.

"The remainder of the first sentence of the first paragraph of said Section 35, after the word 'therein,' reads as follows: 'In the county, town, district, village or city where such bank or banking association is located, and not elsewhere, whether such stockholders reside in such place or not.'

"I understand it to be a well-founded rule of law, that in construing a statute the statute should be construed as a whole, and not by parts or sections. It is clear to my mind that the remainder of the first sentence in said Section 35, as above quoted, means that the bank is to pay the tax, otherwise non-resident stockholders not being liable under our law to taxation on personal property, would escape taxation and the state would lose what it of right should have. The remainder of Section 35

(Continued on page 28)

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY Pres.
 CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
 F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

Editorial Comment

SAFEGUARDING ILLINOIS DEPOSITORS

Some time ago there appeared in these columns an article pointing out the inconsistency of permitting unincorporated associations to employ the words "trust company" as a part of their titles, without being compelled to comply with the statutory regulations relating to trust companies in this state. The same thing may be said of an individual or individuals calling themselves a "bank." In the case of incorporated banking associations in Illinois there are numerous provisions of the statute designed to protect the interests of the depositors and to render the business of banking safe and reliable. The same argument used in regard to unincorporated trust companies may with propriety be used in the case of an unincorporated bank, i. e., it is absolutely absurd to compel a strong corporation composed of men of the highest financial standing and character and adequately capitalized, to conform to certain statutory regulations, while unincorporated banks, often representing exactly the opposite of the elements embraced in an incorporated institution, are permitted to carry on their business absolutely unrestricted.

The Illinois statute provides that when any association of individuals desire to incorporate as a bank, they shall apply to the state auditor for permission to organize, stating their place of business, the amount of capital and name of the association under which they desire to organize, and the duration of such association, all of which shall be under their hands and seals and duly acknowledged. Each director elected by the stockholders is required to take an oath of fealty to the bank stating that he diligently and honestly will administer the affairs of the bank, and will not knowingly violate or permit to be violated any of the provisions of the banking act. In addition each director is required to own ten shares of the capital stock of the bank free from any lien or encumbrance. Each stockholder is individually liable and responsible to the creditors of the bank, over and above the amount of stock held by him, to an amount equal to his respective shares, for all liabilities of the bank accruing while he remains a stockholder. Within thirty days after the organization of the bank a certified list of stockholders must be filed in the county recorder's office, giving the number of shares held by each stockholder; and thereafter a certificate of all transfers of stock shall be filed, not later than ten days after such transfer; no transfer of stock shall operate as a release from liability.

Provision also is made for reports of condition, exhibiting in detail resources and liabilities, such reports to be called for at least once every three months by the auditor of state. Examination of the affairs of the bank is to be made as often as the state auditor shall

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

deem necessary. Restriction is made as to the largest amount which may be loaned. The statute says: "The total liabilities to any association, of any person or of any corporation or firm, for money borrowed, including in the liabilities of a company or firm, the liabilities of the several members thereof, shall at no time exceed fifteen per cent of the amount of the capital stock of such association actually paid in and unimpaired, and fifteen per cent of its unimpaired surplus fund." At no time, however, shall the total amount loaned exceed thirty per cent of the bank's capital. It also is stated that undivided profits shall not be construed as a part of the surplus. Every director who sanctions a loan above the limit prescribed by law is personally liable for all damage sustained as a consequence of the violation.

Provision is made as to the minimum capital stock which shall be permitted, which varies according to the size of the city or town in which the bank is to be operated.

The legislature has provided all of these safeguards for the protection of depositors in our big, strong banks; absolutely no provision is made for the protection of the depositors in our "store banks."

THE CITY COUNCIL COULD HELP

It is quite commendable that the members of the Chicago city council should be concerned about the control and supervision of the kind of private banks which prey upon the unsuspecting portion of the public. Several attempts, however much they may have fallen short of success, are entirely to the credit of the city legislature. A sub-committee appointed by that body, composed of Aldermen Mayer, McInerney and Hazen has prepared a bill to be submitted to the legislature at Springfield for passage at the coming session. Among other things the draft provides "that any person or persons desiring to establish a private banking institution must have an invested capital of at least \$50,000" in the city of Chicago. In country towns the capital invested is not required to exceed \$25,000 and proprietors of banks will not be permitted to borrow more than one-twentieth of their assets. Proprietors are to be debarred by law from using the depositors' money in real estate opera-

tions or for any of the purposes of barter and trade as is so customary at the present time.

Especial attention is called to the fact that the titles "bank" and "trust company" shall be used by no person or firm doing business unless holding a certificate from the state. This practically puts private banking under supervision, protects the capital invested, prevents use of the deposits for private speculation or business purposes and brings a measure of supervision which, in the absence of anything better, will be quite welcome in this field.

There are other ways in which the city council might improve the situation vastly by an effort within themselves. A stroll along South Clark Street from Madison to 12th Street reveals at least forty-three glaring signs, many of them electric, such as "National Loan Bank," "Rational Loan Bank," "Peoples Trust and Loan Bank," "Security Loan Bank" and a dozen other variations from those quoted, but all using the word "bank" very conspicuously. This is contrary to law inasmuch as it is a deception upon the public. All of such places should be compelled to state that they are "Pawn Shop, License No. 51," or whatever its number may be. No pawn broker should be allowed to run without a license, and his license number should be stated on the sign as well as the actual title of the business conducted. It is doubtful if any action by the council is necessary beyond a resolution calling the police department's attention to this imposition upon the public. It would rid the city of Chicago of its most indefensible "private bank," for every pawn broker is a private banker if he stands behind a sign announcing himself to the public as a "bank." The attention of our esteemed contemporary, The Chicago Tribune, is called to this situation which, with its powerful influence, could improve conditions in this respect promptly.

TROUBLES OF PRIVATE BANK DEPOSITORS

A private banker, never having become incorporated or subjected to supervision or control of either the national, state or municipal government, occupies exactly the same position in the eyes of the law as does a private citizen. The assets and liabilities of his business are a part of his personal estate and are included with those of his private ventures. Consequently when he dies the debts of not only his banking business, but of all of his private enterprises as well, are liens against his estate, which, like that of any other individual, must go through the probate court for settlement. The depositors of the bank share pro rata with the other creditors of the estate, for it has been held by the courts that the relation existing between a bank and a depositor is simply that of debtor

Condensed Statement

The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

At Close of Business, November 26, 1912

RESOURCES

Loans and Discounts.....	\$22,598,586.16
U. S. and Other Bonds.....	1,399,558.40
Banking House.....	575,000.00
Overdrafts.....	4,157.53
Cash and Due from Banks.....	11,243,835.85
	<u>\$35,821,137.94</u>

LIABILITIES

Capital.....	\$ 3,000,000.00
Surplus.....	2,000,000.00
Undivided Profits.....	491,669.34
Circulation.....	120,000.00
Deposits.....	30,209,468.60
	<u>\$35,821,137.94</u>

WM. H. DUNWOODY, Chairman of the Board of Directors
 E. W. DECKER, President
 JOS. CHAPMAN, Vice-President
 J. A. LATTA, Vice-President
 A. V. OSTROM, Cashier
 C. W. FARWELL, Asst. Cashier
 R. E. MACGREGOR, Asst. Cashier
 H. P. NEWCOMB, Asst. Cashier
 W. M. KOON, Asst. Cashier
 S. H. PLUMMER, Asst. Cashier
 H. J. RILEY, Asst. Cashier

THE NORTHWESTERN NATIONAL BANK AND THE MINNESOTA LOAN AND TRUST COMPANY ARE AFFILIATED THROUGH THE OWNERSHIP OF THEIR CAPITAL STOCK BY THE SAME INDIVIDUAL STOCKHOLDERS

Combined Capital, Surplus and Undivided Profits, \$6,783,976.22. Combined Assets, \$40,015,556.46

Statement of Condition of

The Minnesota Loan & Trust Co.

MINNEAPOLIS, MINNESOTA

At Close of Business, November 26, 1912

RESOURCES

Mortgages on Real Estate.....	\$1,038,750.57
Mortgages on Real Estate Guaranty Fund.....	111,750.00
Loans and Discounts.....	1,456,614.93
Municipal and Other Bonds.....	886,259.86
Accounts Receivable.....	42,339.05
Office Building and Site.....	200,000.00
Overdrafts.....	55.40
Cash and Due from Banks.....	458,648.71
	<u>\$4,194,418.52</u>

LIABILITIES

Capital Stock.....	\$1,000,000.00
Surplus.....	200,000.00
Undivided Profits.....	92,306.88
Deposits.....	2,902,111.64
	<u>\$4,194,418.52</u>

All Trust Funds and Investments are kept separate and apart from the Assets of the Company

E. A. MERRILL, Chairman Board of Directors
 E. W. DECKER, President
 W. A. DURST, Vice-President
 A. M. KEITH, Vice-President
 WM. H. DUNWOODY, Vice-President
 H. L. MOORE, Secretary and Treasurer
 J. R. BYERS, Assistant Cashier
 C. V. SMITH, Trust Officer
 J. M. MARTIN, General Counsel
 I. W. CHAMBERS, Asst. Treasurer
 H. D. THRALL, Asst. Secretary
 S. S. COOK, Cashier

and creditor, which does not entitle the latter to a preference in the distribution of the assets.

While the banking business conducted by a private individual may be perfectly solvent, the liabilities of his other private ventures may be of such magnitude as to render his estate as a whole insolvent. In other words, the depositors in his bank are obliged to stand the losses suffered by him in businesses absolutely foreign to that of banking. Only the other day we read of a saloonkeeper who died while running a private bank as a side line; he also conducted a barbershop and a steamship agency. The depositors will share in the assets of his estate with the creditors of the saloon, barbershop and steamship agency. If any of these prove to be a failure, it is more than probable that the depositors will be very much disappointed when the estate is wound up. The same situation would prevail should the insolvent decide to avail himself of the emergency defense of insanity.

One does not have much sympathy for educated people so careless as to place their funds in unstable banking institutions; he cannot, however, help but feel for the ignorant foreigners who have come to this "land of promise" with the hope and expectation of accumulating a little something as a provision for the proverbial "rainy day." To them the word "bank" has a certain trust inspiring significance creating a feeling of the utmost faith and confidence. They do not know that there is any distinction between state, national or private banks; they place all banks

in one class—as a place where they can deposit their savings and withdraw them any time they so desire. They do not know anything about the probate court nor of other creditors. Is it any wonder, then, that they sometimes resort to attempted acts of violence when the savings gleaned as a result of years of toil are denied them?

The argument has been advanced on behalf of the private bankers opposing supervision in Illinois that because conditions are "rotten" in Chicago, it does not necessarily follow that they are in the rest of the state, all of which will be conceded; but why should a private banker on a perfectly solvent basis and who is conducting his business honestly oppose an

opportunity to show to his clients the exact status of his bank and the manner in which the money of its depositors is being used, thereby taking them into his confidence? The answer is that he doesn't. It is the crafty, hard-hearted, dishonest man who is willing to allow a lot of simple, uneducated people to contribute to his support with money earned by the sweat of their brows, while he in return gives them nothing but the "honor" and "prestige" of being depositors of his "bank." There is a vast difference, too, between "personal" and bank taxes.

PRESIDENT PHILLIPS SENDS OUT REPORT OF ROAD COMMITTEE

John D. Phillips, of Green Valley, president of the Illinois Bankers Association, is out with a circular letter under date of December 10th, sending a copy of the report of the bankers' committee on good roads to every bank in the state. Mr. Phillips puts the matter up to the bankers strongly and says that Illinoisans are to be congratulated that they live in the greatest agricultural state in the Union, but it is a sincere regret that we must acknowledge that our roads and our road laws rank among the poorest of any state in the Union. To secure information and to follow this up with desirable legislation, has been the constant effort of the members of the good roads committee of the Illinois Bankers Association. Mr. Phillips requests the bankers to read the report of the road committee carefully and to cause it to be printed in some one of the local newspapers. In the campaign of education now being waged, in which the bankers have taken an early and active part, much will be done toward securing adequate legislation.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ☐ Your account carried on the books of a solid, conservative bank adds prestige to your name.
 ☐ Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Who Shall Control Our Financial Destiny?

J. Harsen Rhoades, a New York banker, in an address before the "Finance Forum" makes an urgent appeal to the country

About two years ago—the date is immaterial—I was discussing banking and currency reform with a leading Wall Street banker. If I mentioned his name, you would recognize him at once as a man of influence and ability. I said to him, "Why doesn't your firm take more interest in banking and currency reform? If we are to have real reform, you know as well as I that it is the big able man who must put his shoulder to the wheel." He replied, "Are you aware that a partner in our firm has given many hours of his valuable time to licking the Aldrich plan into practical shape?" I was surprised at his words, for at that time—two years ago—I had no idea that such was the case, and said, "If what you tell me is so, why has he so effectively concealed the fact?" His answer was significant, even typical, of the times: "Why, man alive, don't you know that if the country were aware that a partner in this firm was even interested in the Aldrich plan, that plan would be doomed?"

Now I believe that in estimating the people's verdict my friend was mistaken. Every man, no matter what his own status may be, demands from others the truth. He was reading into the minds of the people a suspicion which could not exist unless fostered by secrecy. It is secrecy that breeds the germs of suspicion, and it is suspicion that undermines our reasoning powers and makes us see things which do not exist. I believe that if a partner of that influential house had gone to the bankers' convention at Los Angeles, had struck out from the shoulder, and said to those men assembled from all parts of the Union—"Gentlemen, I am from Wall Street. I am sincerely interested in banking reform, and have given much thought to the subject. I am here to help and to be helped. Do you care to hear me or do you not?" Gentlemen of the Finance Forum, I believe if that question had been put at that time by a man I have in mind, banking reform would no longer be a dream, but a reality.

I do not wish to be misinterpreted. It is not for me to dictate to any man a course of procedure. I merely tell the story to impress upon you the misunderstandings which must be overcome before banking reform is an accomplished fact. Now, I went to Los Angeles. I saw able bankers from Chicago, able bankers from St. Louis, New Orleans, Cleveland, able bankers from all parts of the country. I heard them speak. I saw them mingle with the crowd. But I neither saw nor heard the shrewdest of them all, the bigger men of Wall Street.

Real banking reform will be a vision until the brainy banker of the East and the brainy banker of the West co-operate; nay, until the men of the North, East, South and West confer with one another, learn one another's views and trust one another's motives. I wish to impress upon those who hear me, and upon those who do me the courtesy to read what I have to say, that I am a Wall Street man. I wish them to understand who I am and where I come from, I want them to do me the honor to believe that my motives are disinterested. I want them to know that when I ask for the brainy man of Wall Street to join us in this great reform, it is because we need him. Wall Street is not so filthy as some would think. Selfish men are there, yes, and everywhere—cold, calculating, hard-headed money makers, if you will, but not necessarily thieves at all.

Let me tell you another story: Just previous

to the panic of 1907 my firm, a borrower of money from a large trust company, was informed that the rate on the loan had been raised to 50 per cent. The collateral consisted of gilt-edged bonds, and the loan had been standing for some time. Knowing one of its officers—as a matter of fact, a personal friend—I called upon him, and among other things said: "Is not my credit sufficiently good to warrant a lower rate than 50 per cent? You are a lender of money with a service to perform. Do you think it just to bleed me?" He replied, "I agree that such rates seem extortionate; but we are not facing a theory, but a condition, and it is the duty of an officer of this company to its stockholders to take advantage of every opening that presents itself." Now, gentlemen, from his standpoint he was not dishonest, nor was he doing wrong. He was merely taking advantage of his opportunities. The fault lies where? Not with him, but with his conception of his duty to his stockholders versus service to the public and with a banking system that invited him to do as he did. I do not blame him, but you do. But are you not equally culpable in maintaining a financial system which furnishes him with these opportunities?

It was not until the panic of 1893 that we American people as a whole began to appreciate the weaknesses in our financial structure. We then gave thought to the subject, but we accomplished little until after the crisis of 1907. Since that date so much progress has been made that there has now been presented to the American people a well rounded plan of monetary reform, commonly known as the Aldrich plan, which calls for the establishment of a national reserve or central reservoir for the bank reserves of the country. The completed scheme, however, bears little of the earmarks of Senator Aldrich's work. I shall, nevertheless, at the outset, call the scheme the Aldrich plan, if for no other reason than to show my respect for the man who fathered it. If there be those who can, I for one cannot be so small and narrow as to reject his or any other man's plan because the personality of the author may not be to my or someone else's liking.

Gentlemen, where are we at? There should be peace in the financial world, not distrust and bitterness. It is asserted that we need and must have the suffering and the lesson of another panic—a mean and cruel thought. It's claimed that we cannot have the national reserve because Mr. Aldrich's name is attached. It's said that we cannot have it if it be known that a Wall Street man has had a hand in preparing it. Such thoughts are childish and unworthy of men. What difference does it make who the author may be? What difference does it make whether he be black or white, tall or short, suave or blunt, sincere or insincere—if the plan he proposes commends itself to our good sense? Put on your thinking caps, my friends, and think. It's the meat on the platter that must be digested, not the

man who prepared it; it's the thought in an argument that must be considered, not the man who advanced it.

I have spoken thus warmly because I wish you to see things as they are, not as some would paint them. Sometimes it seems as if the nation were honeycombed with mean, suspicious thoughts. A man can scarcely rise to speak before another charges a false and ugly motive. He who tries to end an evil should be helped, not handicapped by base and mean insinuations. We should think, and think fairly—not jump to our conclusions.

The Aldrich plan, as revised, was endorsed by our American bankers at their convention at New Orleans subsequent to its approval by many state organizations. It would seem, however, that for one reason or another the scheme has not met with popular approval, yet it contains much of merit. It would be a grave misfortune if, after the sacrifice of so much time and thought, we should feel compelled to discard it as a whole. I am one of those bankers who are positive that in centralized power lies the true solution of our financial difficulties, I care not whether it be the Aldrich plan or any other plan: but when I say centralized power I mean centralized power, no chicken-hearted compromise. Therefore, I am the more unwilling to throw the plan aside. My purpose this evening is to suggest an amendment, with the earnest desire that interest in the project be revived and the more conspicuous flaws eliminated.

I propose a main body, in whose hands we American people must place the financial destiny of our nation, that shall not be elected by the bankers nor by any special interest, but shall be singled out for that great honor and service by the president of the United States. My purpose is to adopt the method of procedure of the appointment of the justices of the supreme court, who, as we know, are appointed for life by the president, subject to confirmation by the senate. I would make one qualification, that the president shall appoint one-half of the board from the eastern section of the country, and one-half from the western, the zones to be divided by a line running north and south through the center of population, which line of demarkation tends to move further and further west as the country develops.

I propose that this board—the court of finance—shall be reduced from the unwieldy number of forty-five, as recommended under the monetary plan, to fourteen. Of this number six shall be practical bankers, one of whom shall be appointed to act as governor general, six shall be appointed from the industrial, commercial, farming and other interests, and two shall be academic students of banking. There shall also be as ex-officio members, the secretary of the treasury, the secretary of commerce and labor, and the comptroller of the currency, making seventeen in all. With the exception of the ex-officio members, these men shall devote themselves for life to the exclusion of all other interests, through the work of the national reserve, to the service of the nation.

The court of finance, which I propose, is the supreme tribunal to whom the American people must entrust the financial destiny of their nation. These are the men who must be above suspicion. It is they who will set the standard of membership in the national reserve, with authority to accept or reject an

Interior of Harris Trust & Savings Bank of Chicago



The Harris Trust & Savings Bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes. ¶ During the past thirty years its officers and directors selected and purchased, after careful investigations, over one thousand, two hundred and fifty million dollars of bonds, which have been sold to a constantly growing list of conservative clients. ¶ In buying bonds of this institution the investor secures the benefit of the extensive experience and trained judgment gained through the selection of this large amount of safe investments. ¶ The special character of the bank's business permits of liberal interest terms on inactive or reserve accounts of banks, bankers, corporations and individuals.

application. It is they who will have the power to expel. It is they who will control the discount rate—raise it to check speculation in the East—raise it to check speculation in the West—raise it when the financial seas are disturbed—lower it when the seas are calm. The question before us is not whether the financial destiny of the nation shall be in the hands of a few, but who shall be the few, and how they shall be made, so far as lies within our power, subservient to the will of all.

CHICAGO VISITORS

W. Butterworth, president of the Peoples Savings Bank and Trust Company of Moline, Ill., and president of Deere & Co. of that city, was a Chicago visitor on Thursday. Mr. Butterworth says that there is a great deal of interest among the farmers of Rock Island county in the matter of organizing for good roads, and that they propose to perfect an or-

ganization of Rock Island county good roads advocates. The Tri-City Good Roads Association composed of representatives of the cities of Moline, Rock Island and Davenport, Ia., already has effected an organization to work in behalf of federal aid for an ocean-to-ocean highway which will utilize the river-to-river road from Davenport to Council Bluffs, which is in good condition the greater part of the year owing to the systematic compulsory drag law in force in Iowa. Mr. Butterworth also proposes to give a demonstration of what can be done in practical, permanent road building by having a modern road from their city factories in Moline to their demonstration farm some two miles distant from the city of Moline.

George W. Boyden, vice-president of the Farmers State Bank of Sheffield, Ill., was a caller in the financial district on Thursday. Mr. Boyden believes that the farmers generally in Bureau county want better roads and that

the time is ripe for the organization of the present sentiment into a county association with a view of supporting some sensible plan for road improvement.

John R. Mitchell, president of the Capital National of St. Paul, was a Chicago caller this week.

A. P. Grout, president of the Farmers Institute, Winchester, Ill., and a member of the banking firm of Neat, Condit and Grout of that place, spent several days in Chicago this week. Mr. Grout devotes a considerable part of his time at this season of the year to attending the county meetings of the farmers' institutes, where the bankers, members of commercial clubs and members of the farmers' institutes gather together to discuss the subjects that likely will bring benefit to the respective communities interested. Mr. Grout is an alfalfa enthusiast and is president of the Illinois Al-

(Continued on page 21)

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MISSOURI

Capital and Surplus, \$3,600,000.00

JOHN M. MOORE, Vice-President
W. L. BUECHLE, Vice-President
E. W. ZEA, Vice-President

F. P. NEAL, Chairman Board of Directors.

CHAS. H. MOORE, Vice-President
JAMES T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier

J. W. PERRY, President

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
J. F. MEADE, Assistant Cashier

*UNEXCELLED FACILITIES WITH THE MOST MODERN EQUIPMENT ASSURES ACCURATE AND SATISFACTORY SERVICE
A LARGE CAPITAL AND SURPLUS WITH A STRONG ORGANIZATION ASSURES SAFETY*

Kansas City

CENTRAL WEST LETTER

By **EDGAR P. ALLEN**

Omaha

Kansas City bankers have been waiting with eager interest for two important announcements, both of which were made last week within a day of each other. One of these was the official report of the secretary of the Kansas state board of agriculture on the crop valuation of that state for 1912 and the other was information of a similar character from the Missouri board of agriculture. The report of Secretary Coburn of Kansas gave the value of the crops and live stock of that state for 1912 at \$580,000,000 and the Missouri report shows the value of the Missouri crops at \$750,000,000. Thus the total return to the farmers of the two states of Kansas and Missouri for the year is about 1½ billion dollars. And Kansas City is on the dividing line between these states and in the heart of the splendid prosperity indicated. There may be little wonder that the bankers of Kansas City are smiling with optimism. The state crop reports make even a better showing than any of the more conservative bankers had dared to predict. However, it was not the mere totals that brought the most satisfaction to careful bankers and business men. Both reports emphasized the fact that the farmers have been diversifying their crops as never before and that with the development of more intelligent farming there is less danger from year to year of serious crop shortages or total failures. Kansas, for instance, produced a fourth of all the alfalfa raised in the United States and that state is becoming a stock-fattening commonwealth. Although corn and wheat continue to lead all other field crops, they do not now monopolize the attention of the farmers to the exclusion of many other valuable products.

Death of Judge E. L. Martin

Judge Edward L. Martin, a Kansas City pioneer business man, railroad promoter and financier, died Sunday, December 15th at Excelsior springs, Mo., where he had gone in the hope of recovering his health. He was born March 12, 1842, at Maysville, Ky., and at the age of sixteen he entered a Cincinnati bank removing to Kansas City in 1870. He organized the Kansas City Distilling Company and afterward consolidated this concern with the Distillery and Cattle Traders Company. Leaving the distilling business he organized the Merchants Bank of Kansas City and was a director in several other financial institutions of the city. He helped organize the Missouri, Kansas and Texas Trust Company and was its first vice-president. This became later the Guardian Trust Company. Judge Martin was one of the first men of influence to express faith in Arthur E. Stilwell, the future railroad organizer, and it was Judge Martin who helped

to promote the Kansas City, Pittsburg and Gulf Railroad, of which he was president for a number of years. In 1900, Judge Martin organized the Kansas City Suburban Belt Railway and his means furnished the financial backing of this project. In the constantly widening field of his activities he reorganized the Kansas City Street Railway Company and was the largest stockholder of this enterprise. He was the founder of the Kansas City, Lawrence and Topeka railway and many other enterprises of importance, including the bridge across the Missouri river now used by the Chicago, Milwaukee and St. Paul railroad at Kansas City. Judge Martin was a charter member of every important commercial organization for forty years. In addition to his financial and industrial interests he was an enthusiastic local political leader and, although he never sought office he was elected mayor, and at the time of his death was a member of the county court, having been re-elected at the recent fall election.

Judge Martin was, in fact, one of the leading citizens of the Southwest and he was a foremost element in every important development for forty years. Of most engaging personality, he united all the most desirable qualities of man and citizen. He was beloved by all of Kansas City and especially by the school children, as he had been identified with the board of education for more than twenty years. It would be impossible even to enumerate the many philanthropic enterprises with which he was engaged but his charity was broad and unostentatious. One of the movements of which he was most proud was the Firemen's Relief Fund of Kansas City which Judge Martin started more than a score of years ago and which has grown to important proportions. For twenty years every certificate and every scrap of stationery used by this organization has borne the picture of its founder. The funeral of Judge Martin was held in Kansas City Wednesday, Dec. 18th, and in respect to his great character and public services all the clearing house banks closed in the afternoon, the city council adjourned and passed suitable resolutions and the entire fire department acted as a guard of honor. Seldom has any citizen of Kansas City ever been so universally beloved.

Want State Banker for Commissioner

At the recent election Kansas went Democratic and for the first time in many years there is to be complete change in the political complexion of all appointive officials. The position of state bank commissioner is one of the most desirable of the executive appointments and Governor-elect Hodges has been having a great deal of trouble making his se-

lection. The present incumbent, J. N. Dolley, will leave the office shortly after January 1st. Governor-elect Hodges offered the place to Charles Sawyer, a national banker of Norton, Kan., and formerly a national bank examiner. This appointment has aroused a storm of protest, not on any personal ground, as Mr. Sawyer is very popular and is recognized as well qualified for the place, but because Mr. Sawyer is a national banker and the state bankers of Kansas feel that the state bank commissioner should be one of their group. They object to a national banker having supervision over more than 900 state banks. The bank commissioner is charged especially with the management of the state guaranty fund and there is an opinion that Mr. Sawyer is not in sympathy with this fund or the law which created it. Many state bankers pretend to see in this appointment a move to repeal or impair the bank guaranty law and other recent banking legislation. The state bankers have appointed a committee to take up the matter with Governor-elect Hodges. Among the members of this committee are John Wagner, of Larned; Thomas Sweeney of Lawrence; M. A. Householder of Columbus and J. D. Joseph of Whitewater.

Street Railway Difficulties

The troubles of the Metropolitan Street Railway Company of Kansas City have multiplied of late. The hope entertained by stockholders that a reorganization of the company might be effected and the property saved from further legal entanglements has been eliminated by the order of Federal Judge Hook granting permission for a suit of foreclosure in default of the payment of notes secured by a mortgage on the property. The suit involves an issue of the Kansas City Railway and Light Company bonds to the amount of \$10,200,000 which were floated in 1903 and expire in May, 1913. The company is now operating under a federal receivership, the receivers being Ford Harvey of Kansas City and R. J. Dunham of Chicago. Pending action by the city on a proposal to extend the company's franchise, experts under the direction of Bion J. Arnold of Chicago, are making an appraisal of the property. If an order to sell the property follows the foreclosure suit, the system may be dismembered or sold as a whole. It is valued in the neighborhood of \$30,000,000.

Central West Notes

The executive committee of the Kansas Bankers Association met in Topeka last week and decided that the next state convention of the organization will be held in Hutchinson the first week in May. Secretary Bowman advised the Hutchinson bankers of this decision

Capital - \$500,000
Surplus - 300,000
Assets - 8,000,000

THE FIRST NATIONAL BANK

Of Buchanan County
ST. JOSEPH, MISSOURI

Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

We solicit your business and offer you exceptional facilities
Correspondence invited

and the latter have begun plans for the entertainment of the visitors.

The Union Terminal Company of Dallas, Tex., is preparing to issue bonds for construction work. The amount has not been decided upon but it will be less than \$5,000,000 and more than \$3,000,000.

Following the consolidation of the Bonham and the First National banks of Fairbury, Neb., a new state bank will be organized by E. R. Bee which will have quarters in the old First National building.

George M. Paschal, president of the First National Bank of Lawton, Okla., and a pioneer business man of that state, died last week at Lawton of paralysis. Besides his Lawton banking interests he was president of the First National Bank of Waurika, Okla., and a director in the National Bank of Hastings, Okla.

W. D. Moore, formerly vice-president of the First National Bank of Joliet, Ill., has moved to Omaha where he becomes cashier of the City National Bank.

Officers and employees of the Southwest National Bank of Commerce of Kansas City are mourning the death of Thomas A. Richards, an individual bookkeeper of the bank and one of the most popular men connected with that institution. He was 32 years old and had grown up with the old National Bank of Commerce which was recently consolidated with the Southwest National Bank.

The directors of the Missouri Savings Bank of Kansas City recently decided to raise the annual rate of dividend from 18 to 24 per cent. The Missouri Savings Bank is next to the oldest bank in Kansas City and was organized in 1886. Stock in this bank cannot be bought.

Four hundred depositors of the defunct All Night and Day Bank of Kansas City have received their final payment of 25 per cent through the Commerce Trust Company. Because of the admirable methods employed by the trust company in winding up the affairs of the defunct bank, every depositor has now been paid in full.

A young man giving the name of Earl J. McQuillen was arrested in Kansas City last week and sentenced to the penitentiary for having secured \$175 from the National Reserve Bank on a forged check by representing himself as the son of B. F. Edwards, president of the National Bank of Commerce of St. Louis.

Four masked bandits entered the Kyle State Bank of Kyle, Okla., early in the morning of Dec. 16th and after binding and gagging the night watchman, escaped with \$17,500 of the bank's funds.

At the instance of the Oklahoma banking board, W. L. Jones, formerly president of the State Bank of Pryor, Okla., has been arrested on the charge of misappropriating funds of the institution, which recently was taken in charge by the bank commissioner.

J. W. Perry, president of the Southwest National Bank of Commerce of Kansas City, and J. J. Heim, another of the bank's officials, have returned from a hunting trip near Cactus, Tex. As proof of their skill the two bankers caused three deer carcasses to be brought to the bank in an automobile and exhibited to friends and associates. Two of the deer belonged to Mr. Perry and one to Mr. Heim. In the party was Governor-elect

George Hodges of Kansas and his brother Frank Hodges of Olathe, Kan., and Dr. A. H. Cordier of Kansas City.

Judge T. B. Butler, president of the Guaranty State Bank of Tyler, Tex., has announced that the capital stock of that institution will be increased from \$100,000 to \$200,000.

A trust company is being organized in Greenville, Tex., which will have a capital stock of \$1,000,000.

State Bank Commissioner J. N. Dolley of Kansas has been elected a director of the Aetna Building and Loan association of Topeka, which is one of the oldest and most important financial concerns in Kansas.

The Texas department of banking has approved the following reserve agents for state banks: for the First State of Panhandle, the Emporia National of Emporia, Kan.; for the Farmers and Merchants State of Nacogdoches, the Guaranty State Bank and Trust Company of Dallas; for the Cowboy State Bank and Trust Company of Rotan, the First State Bank and Trust Company of Abilene; for the Bay City Bank and Trust Company of Bay City, the Citizens Bank and Trust Company of Austin; for the Bluff Dals State of Bluff Dals, the Chatham and Phenix National of New York; for the Merchants and Farmers State of Elgin, the Mechanics-American National of St. Louis; for the First State of Prudon, the Central Texas Exchange National of Waco; for the Merchants and Planters State of Winnsboro, the Merchants-LaCleda National of St. Louis; for the Farmers State of Buffalo, the American Exchange National of Dallas; for the Weir State of Weir, the City National of Galveston; for the First State of Carbon, the Coal and Iron National of New York; for the Evant State of Evant, the Hamilton National of Hamilton.

The following bankers from out of town called upon Kansas City financiers last week: W. R. McBride, president of the Night and Day Bank of Denver; C. O. Garrison, cashier

of the Smith County State of Smith Center, Kan.; P. F. Friesen, assistant cashier of the First National of Hillsboro, Kan.; Miss A. E. Burch, assistant cashier of the Joplin Trust, Joplin, Mo.; R. B. French, president of the Reserve National of Wichita, Kan.; Thomas Trammel, president of the Thomas Trammel Banking Company, Smithville, Tex.; Don Kinney, cashier of the Midland National, Newton, Kan.; M. Welch, cashier of the Oklahoma State, Sapulpa, Okla.; R. C. West, president of the Farmers and Merchants Bank of Mountain View, Okla.; Walter J. Miller, president of the First National of Lamar, Mo.; J. H. McBirney, president of the National Bank of Commerce, Tulsa, Okla.; W. W. Ferguson, president of the Farmers and Manufacturers Bank, Rich Hill, Mo.; G. M. Miller, vice-president of the Cheyenne State, Cheyenne, Okla.; M. B. Light, cashier of the State of Winfield, Kan.; W. W. Conner, cashier of the Farmers and Traders Bank, Auxvasse, Mo.; Samuel Sharp, cashier of the Montgomery County Bank, Montgomery City, Mo.; L. B. McBride, cashier of the First National, Waterville, Kan.; Clyde Bailey, cashier of the Caldwell State, Caldwell, Kan.; J. E. Brashfield, assistant cashier of the Bank of Garden City, Mo., and L. C. Derrick, assistant cashier of the Prescott National, Prescott, Ariz.

CHICAGO VISITORS

(Continued from page 19)

falfa Association. He says we steadily are making headway in the development of the growth of this important crop in Illinois, and that there yet is plenty of room for the extension of the use of alfalfa in many localities of the state where the soil is favorable for its cultivation. Mr. Grout is a member of the advisory board of the Illinois Highway Improvement Association and is giving much thought and consideration to the subject of good roads. He finds that the sentiment among the farming classes, as he comes in contact with it at the institute meetings, is growing favorable to a change in the present system in order that we may get the principal highways in Illinois in such a condition as will permit of their being used every day in the year and the roads become permanent in character, there being no doubt about it that the farmers are the ones who benefit the most from a system of good roads whereby farm products can be marketed when market prices are the most favorable.

WITH THE ST. LOUIS BANKERS

Frank D. Brundage, assistant manager of the K. N. & K. Company, New York, was in Chicago last Saturday along with the St. Louis bankers who came up to attend the meeting and banquet of the Flying Squadron, the only legitimate organization of hold-up men in the U. S.

PIONEER STATE TO OPEN IN JANUARY

Pioneer State Savings, recently organized on the North Side and capitalized at \$200,000, expects to open for business in January. The bank starts with a surplus of \$25,000. Among those interested in its organization were Charles S. Castle, president of the Standard Trust and Savings and Chilton C. Collins, of the Union Bank of Chicago.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

A. J. Wentzel, cashier of the United States National, was instrumental in having Superior, one of the Twin Ports cities, included in the Centennial Memorial Flotilla trip in commemoration of Perry's victory on the lakes. He attended a conference at Buffalo of persons interested in the big celebration next summer. At Buffalo, Mr. Wentzel found Duluth and Superior had been left out of the plan and he presented the claims successfully.

F. M. Prince Back from East

F. M. Prince, president of the Minneapolis First National, returned from New York, said: "While Christmas trade is active in New York and general business good, there is a touch of the blues down there because the stock market has had a fall. Wall Street is indeed the New York barometer and New York people do not like to see stocks go down."

"The Union Pacific-Southern Pacific merger decision and the probable way of undoing the thing in accordance with the supreme court's interpretation of the law is a main financial topic in the east. Meanwhile the stock market has gone down. Business, as one sees it in commercial circles, is active and of large volume."

"There seems to be no likelihood," said Mr. Prince, after a talk with the comptroller of the treasury, "that the government will have to take any measures toward putting money into the national banks. There seems to be enough money for all legitimate purposes."

"The east has looked for the possible development of three unfavorable things in the northwest, which might have been here before this. They were a car shortage, a coal shortage and a money scarcity with high interest rates. The extraordinarily long continued fair weather of the fall warded off these things. Money rates are higher than they were some months ago, but by no means high, as that word is understood. Six per cent commercial money is not high money."

"General business is good in the East. One

sees it in the streets and commercial offices. If he happens, however, to come in contact with Wall Street people he will get a blue expression, for Wall Street usually gets pessimistic on the whole country when stocks go down."

Buys Cattle in East

The First National of Pilot Rock, Ore., has bought 150 head of dairy cattle in the East and is shipping them West for distribution among the farmers. The purpose is to make good the guarantee of the Commercial association to supply milk from a given number of cows for the new creamery. The average price paid was \$55, and the freight charges will be \$17, or \$72 each.

Superior Postal Savings

In November the postal savings bank at Superior, Wis., showed the biggest total of receipts since the office was founded. More than \$10,000 was taken in and \$3,000 withdrawn. Total receipts to date were \$57,000 credited to 566 depositors.

Big Deal Made

A syndicate of Minneapolis and St. Paul has financed \$1,200,000 preferred stock for the Rogers Lumber Company. This will pay off the company's indebtedness and help carry its heavy timber holdings in Oregon. The company must pay a premium for bonds retired within twenty years, and provision has been made for retirement at the end of twenty years. The company had \$1,000,000 common stock. The stock is 7 per cent, dividends payable quarterly, beginning January 1, 1913. It was fully subscribed at the first meeting of the syndicate. The Minneapolis Trust Company and the Wells and Dickey Company are the receiving companies.

E. W. Decker

E. W. Decker, president of the Northwestern National, has been made president of the Men's club of the church which he attends

—the Plymouth Congregational. The club plans some big meetings with experts as speakers to instruct voters, especially the cat-low ones.

Large Increase in Capital Probable

If business of the Second National continues as it has been going, it is predicted by C. H. F. Smith, vice-president, that a trust company will be the outgrowth of the Northern Savings Bank, which the American controls. This plan may not be ready for the annual meeting, January 14th. The proposed increase of capital of the bank from \$200,000 to \$400,000, as arranged by the directors, is to come up at the annual and it is expected the stockholders will ratify the move for the increase. Mr. Smith said, "We have been considering the increase of stock some time. While it was tentatively decided upon several months ago recent bank changes in St. Paul have hastened the action." The new stock is to be issued at par. Business in the last two years is said to necessitate the increase. The bank is to pay 3 per cent semi-annual interest December 31st, leaving \$125,000 in surplus and undivided profits. It is possible the board may be increased from ten to fifteen directors. It is prophesied that Ben Baer will be returned as president. Mr. Smith as vice-president; L. H. Ickler as vice-president; H. B. Humason as cashier; P. A. F. Smith as assistant cashier. The directors are Otto Bremer, C. C. Emerson, Harold Thorson, J. W. Cooper, B. L. Goodkind, J. H. Weed, Ben Baer, L. H. Ickler, H. B. Humason and C. H. F. Smith. The bank was organized in 1903, at Sixth and Minnesota Streets. Six years ago it moved to Fifth and Cedar Streets. Loans and discounts are \$1,428,189 and deposits \$2,188,014.

Will Ask \$1,000,000 Bond Issue

The common council of St. Paul will be requested to ask the legislature for a bond issue of \$1,000,000. The council will be asked to order \$150,000 bonds for 1913 authorized in 1906 by the legislature. The issue is planned

to cover work to last five or six years, principally for improving the water supply. The \$150,000 issue is for water purposes.

Northwest Notes

Twenty-five banks in Otter Tail county Minnesota, show gains in deposits over last year. The total on deposit in the county is \$4,466,750, as compared with \$3,669,920 a year ago. A large part of the crop still is to be marketed.

Large St. Paul banks are expected to pay the city 2 per cent on daily deposits after January 1st. The Merchants National, Capital National and American National have given assurance they will pay 2 per cent and it is understood the First will do the same. The deposit averages \$400,000 to \$800,000.

The Twin City Fire Insurance Company, Minneapolis, is announced to have taken over the controlling interest in the United American Fire of Milwaukee and will move it to the Twin City company's new quarters in the Elks building. The assets will be \$1,000,000. The territory includes Wisconsin, Minnesota, eastern North Dakota, South Dakota and western Canada.

P. J. Leeman, assistant cashier of the First National; R. A. MacGregor, assistant at the Northwestern and E. L. Matteson, cashier of the Scandinavian American National, attended the transit meeting in Chicago. Geo. F. Orde, vice-president of the First, recently recommended adoption of the Kansas City plan to the Twin City Bankers club. It is expected some plan will be worked out. Minneapolis alone has an average of 50,000 country checks a day.

Dr. Robert O. Earl is named president in the articles of incorporation filed of the Swedish American State Bank, St. Paul. The capital is \$25,000. It is expected to open May 1st, at 991 Payne Avenue. On the board are Dr. Earl, Lewis Swenson, merchandise; P. M. Reagan, manager Hamm Realty Company, J. O. Molin, examiner with state insurance commissioner; C. H. Lindeke, Jr., manager Diebold Safe Company.

Knitting Company Stock Subscribed For

One million dollars preferred stock of the Northwestern Knitting company, Munsing underwear, has been subscribed locally, mostly by stockholders in the Northwestern National Bank and the Minnesota Loan & Trust Company. The company has put in the new issue and has increased its common stock from \$1,000,000 to \$1,500,000. The new preferred is 7 per cent cumulative, with quarterly dividends. The sinking fund is regarded adequate. The company was organized in 1887 and has 1,300 employees. The plant covers a city square.

Northfield Banks Prosperous

Bank statements of Northfield, Minn., are indicative of the general prosperity in southern Minnesota. The First National has assets of \$1,047,000 and the Northfield National of \$1,042,000. The figures are unusually large and are explained by increasing business in pure Holstein cattle, which is bringing thousands of dollars a month to the farmers of the district.

Offer Prizes for Hog Raising

The First National of Fargo, N. D., will offer prizes for hog raising next season. With other institutions the bank two years ago offered prizes which increased the cultivation of corn in the state. Now something is to be done to raise something that will utilize the corn. The corn acreage has more than quadrupled in that time. It is hoped to raise enough interest in hog growing that a packing house will follow. Prizes are to be offered

for the largest hog, the most Rooseveltian family hog, the most rapid development of pigs to a certain age, and other features, limited however to the four-footed animal.

Dakota Notes

Lars G. Lundquist, Strandburg, S. D., will leave Grant county to become assistant cashier of a bank at Grand Marais, Minn. He has been cashier for two years of the Strandburg State. G. F. Lundquist was appointed to fill the position left by his brother. He has been manager of the Strandburg lumber yard.

The Fruitdale State Bank, S. D., is to be merged with the national bank. Cashier F. M. Clary, returned from the East, announces that arrangements are made. The North Western road is to erect a new station in the spring.

Minneapolis capitalists are planning erection of a building at Belfield, N. D., in the spring in which a third bank is to be established by them.

The National Investment Company has been incorporated at Mitchell, S. D., with \$1,000,000 capital.

The First State has opened for business at Buffalo Springs, N. D. J. E. Phalen is president and C. M. Stewart is cashier. The capital is \$10,000.

The First State of Bessie, N. D., has been incorporated at \$10,000 by A. C. Hjerleid and E. C. Payne of Bowman, and others.

The First State of Mineral Springs, N. D., has \$10,000 capital. A. C. Hjerleid and E. C. Payne of Bowman, and others are interested.

The Hettinger State Bank, N. D., is to be nationalized at \$25,000 capital. The Farmers State of Bailey, N. D., is to open at once. Adam Hannah of Minneapolis is president and T. J. Ahern is cashier.

J. T. Severson has resigned as cashier of the Citizens State of Tagus, N. D. E. W. Parker is his successor.

The First State of Buffalo Springs, N. D., has opened for business. It has \$10,000 capital. J. E. Phalen is president and C. M. Stewart is cashier. That several new banks are to open in Billings county, N. D., in the spring is rumored in financial circles.

Seven hundred and seventeen banks in North Dakota have more deposits than ever before. The advance has been evident since 1898. At that time the deposits were only \$9,000,000. By 1902 they had reached \$19,000,000 and the report for 1912 will show \$73,000,000 or more. The banks have grown in number from 203 in 1902 to 217 in 1912.

E. J. Weiser, president of the Fargo First National, is president of the North Dakota Better Farming Association. He was recently re-elected. A. Y. Sarles, president of the Hillsboro First National, is treasurer. Twenty-one field representatives are employed by the association and their work has been carried on in fifteen counties. New counties are seeking co-operation. Twice as many field men are expected to be necessary next season. Raising of live stock will be given particular attention.

BANK CHANGES

John F. Sippel has been elected president of the National City of Baltimore, to succeed the late Dr. David H. Carroll. Mr. Sippel formerly was vice-president of the bank, which vacancy will be filled by General Murray Vandiver, who has been state treasurer of Maryland for twelve years. Mr. Sippel was the organizer of the National City and formerly was connected with the Third National, which

subsequently was merged with the National Bank of Baltimore.

Otto C. Wolf has been elected to the vice-presidency of the Northwestern National of Philadelphia to succeed the late A. W. Woebken.

City Bank and Trust Company of New Orleans is to have a new president in the person of F. Provost Breckenridge, who will take the place of M. J. Sanders, resigned. Mr. Breckenridge formerly was cashier; Alfred Lippman, assistant cashier, will take the position vacated by Mr. Breckenridge's elevation to the presidency.

The new president of the Peoples National of Kansas City, Kan., is O. W. Shepard, formerly vice-president, who was elected as the successor to George C. Smith, resigned.

R. B. Cassell has been elected president of the Morgan Bank and Trust Company of Petros, Tenn., to succeed J. D. Chandler.

E. H. Gough of Boonville, Ind., has been appointed national bank examiner for the southern district of Indiana to take the place of H. A. Schlotzhauer, recently elected vice-president of the First National of Terre Haute.

The National Marine Bank of Baltimore has elected three new directors to fill vacancies occasioned by the death of George F. Heffner and James W. Bates, also the resignation of F. E. S. Wolfe. The new members of the board are J. Kemp Bartlett, vice-president of the United States Fidelity and Guaranty Company, Frank K. Murphy and William L. Strauss.

Chester W. Holland has been chosen cashier of the Andover (Mass.) National to succeed the late J. Tyler Kimball.

W. S. Royland, cashier of the City National of Temple, Tex., has resigned his position with the bank. Mr. Royland will be associated with the Temple Trust Company as secretary and treasurer. He has been connected with the City National of Temple since its inception, ten years ago. His successor will be C. B. Wade, assistant cashier.

Ex-Vice-President James S. Sherman has been succeeded as head of the Utica (N. Y.) Trust and Deposit Company by J. Francis Day, who has been secretary of the company since its organization in 1899.

John S. Gillespie has been elected president of the Stock Yards Bank of Commerce, Kansas City. He will succeed James D. Winters. Charles W. Bartlett has been elected vice-president.

L. L. Clarke, president of the American Exchange National of New York City, has been elected a director of the First National of Tenafly, N. J.

CINCINNATI BANK MERGER

It is rumored that negotiations are under way for the consolidation of a number of the savings banks of Cincinnati, the capitalization of which will be a little more than the combined capital of the banks to be merged. Deposits will be upward of \$14,000,000.

GUARANTY TRUST DISTRIBUTES CHRISTMAS MONEY

The Guaranty Trust Company of New York distributed on Wednesday of this week to its force of 350 employees a Christmas bonus of 10 per cent of their yearly salaries.

George M. Paschal, president of the First National, Lawton, Okla., died recently from a paralytic stroke.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

By far the most engaging topic being discussed by bankers and citizens generally is a list of highly valuable acquisitions just made by the Spokane park board.

Among these the most important is a donation of 105 acres of land on the Spokane river, one and one-half miles from the center of the city, the gift of M. B. Connelly, D. W. Twohy, W. H. Cowles, John A. Finch, R. L. Edmiston, William A. Corey and J. D. Sherwood, all prominent Spokane men. The land is located on both sides of the river, at and around the junction with Latah creek, and is ideal for park purposes. Its value is approximately \$125,000.

As the city already has a park and stadium site just below the lower falls, a half mile closer in, the two will connect with a boulevard or path skirting the river.

Another large donation received by the park board is a 39 acre tract west of the city, a scenic and historic spot known as Indian Canyon. For generations it has been the home of the Spokane tribe of Indians. This is the gift of the Ontario Land Company.

In addition to these, a site containing between 80 and 100 acres, adjoining the up-river pumping station, will be condemned by the city commissioners. The land is to be taken to protect Spokane's water supply, and will be devoted to park purposes.

Spokane bank clearings during November amounted to \$20,626,467. This is an increase of 9 per cent over clearings for November, 1911.

The consolidation of two fire insurance companies into one concern with admitted assets of more than half a million dollars is announced by the Western Empire Fire Insurance Company of Spokane, one of the companies concerned.

Stockholders of the Western Empire voted to consolidate with the Los Angeles Fire Insurance Company of Los Angeles. The name of the new company will be the Los Angeles Fire Insurance Company of California and the home office will be in Los Angeles.

The consolidation will become effective at noon, December 31, 1912. J. Harvey Patterson, vice-president and general manager of the Los Angeles company, will continue in the same capacity with the new company. T. S. Lane, former president of the Western Empire, F. P. Greene, former treasurer of the Western Empire, and Ernest Carstens, president of the German-American Bank of Seattle and a director of the Western Empire, will become directors of the new company. Mr. Greene, a resident of Spokane, will become treasurer of the new company and will retain his residence in Spokane, becoming the representative of the officials of the company in the Northwest.

The outstanding liabilities of the Western Empire Insurance Company, such as the policies in effect, are, under the terms of the consolidation, taken over by the Los Angeles

company. The Western Empire turned into the consolidation more than \$100,000 worth of first-class bonds and mortgages in exchange for Los Angeles stock and will convert additional assets into cash and mortgages.

The Los Angeles company is admitted to transact business in California, Washington, Montana and British Columbia. It has applied for admission to Idaho and undoubtedly will enter the states of Illinois and Louisiana to take over the business of the Western Empire Company written in those states, according to Mr. Greene.

The Los Angeles company will, however, withdraw from Pennsylvania and discontinue its far Eastern business for the present. The company intends to enter the state of New York early in the new year.

Dividends amounting to \$60,650.50 were disbursed December 9th in the twenty-third regular payment of the Trustee Company of Spokane, owner of the Wolverton, Hyde, Temple Court and Empire State buildings. A thousand or more unit owners in these buildings profited by the dividends, which bring the total paid by the company to \$460,669.47, of which \$126,900.50 has been disbursed this year. The first was distributed in 1907 and amounted to \$3,125. The annual report shows the average earning of these units for 1912 to be over seven per cent net.

In the five months that compromise freight tariffs, agreed upon by Spokane shippers and the railroads, have been in effect, \$58,000 has been saved in freight charges on sixteen commodities, according to a report of Percy P. Powell, a prominent shipper. Among the commodities named are nails, wires, pipe, chains, belts, glass, linseed oil, fruit jars and soap. It was stated that \$4,000 was saved on one shipment of 800 tons of pipe.

Thaddeus S. Lane of Spokane, president of the Independent Telephone Companies of Washington, Idaho and Montana, has resigned the presidency of the Great Falls Automatic Telephone Company of Great Falls, Mont., which Mr. Lane founded. Other Spokane officials who also resigned are F. W. Buff,

vice-president; John F. Davies, secretary, and John McGinnis, treasurer. The Great Falls Company has been purchased by the Mountain States Telephone Company, a Bell subsidiary. Independent companies will have physical connection with the plant for a period of 48 years.

J. P. M. Richards, president of the Spokane & Eastern Trust Company, has gone east to New York and Boston for three or four months.

Los Angeles

J. Fujihira, manager of the San Francisco branch of the Yokohama Specie Bank of Japan, confirms the rumor that this institution expects to establish a branch in Los Angeles in the near future. The new branch will be operated under the supervision of the San Francisco institution.

A meeting of the stockholders of the Bank of Glendale will be held on February 11th for the purpose of increasing the capital stock of the institution from \$25,000 to \$50,000.

Superintendent of Banks Williams has announced a third dividend of four per cent by the Bank of Shasta County, which was payable December 12th. This brings the total to 87 per cent.

At a recent meeting of the board of directors of the Bank of Vacaville, E. R. Thurber was elected a director of the bank to succeed F. B. McKevitt, who has resigned, as his duties as manager of the California Fruit Distributors and in other lines of endeavor at Sacramento, required his constant attention.

Charters have been issued to the First National Bank of Coachella, capital \$25,000; J. M. Westerfield, president; H. A. Westerfield, cashier, and to the Selma National Bank, capital \$50,000; W. T. Forkner, president; C. W. Christensen, cashier.

Articles of incorporation of the Winnemucca (Nev.) State Bank and Trust Company have been filed. The building is now under construction. The bank is incorporated with a capital stock of \$100,000, and the stockholders are: C. B. Evans, Thomas Nelson, E. P. Ellison, J. Knight, J. W. Knight, J. Pingree, W. K. Ebling, T. McConnell, J. Lamerains, J. B. Fayant, John Etchert, L. G. Campbell, W. L. Wilkerson, P. Hogan, P. B. Robertson, G. Miller and others.

MONTANA BONDS SOLD IN SEATTLE

L. N. Rosenbaum & Co., bond brokers of Seattle, have purchased the entire issue of \$80,000 six per cent water bonds of Conrad City, Mont. This and similar bonds will be handled by this company, which has just been incorporated by L. N. Rosenbaum and associates. The firm intends to cover the entire field of Alaska, British Columbia, Washington, Oregon, California, Nevada, Utah, Montana and Idaho.



THE OLD NATIONAL BANK of Spokane

offers correspondents genuine service based on a knowledge of their needs and an organization capable of meeting them in every particular

D. W. TWOHY, President
T. J. HUMBERT, Vice Pres. W. D. VINCENT, Cashier
W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
Assistant Cashiers

ASSOCIATION OF RESERVE CITY BANKERS FORMED

(Continued from page 13)

tion legitimately to bring about a change such as will enable Detroit, for instance, to handle all Michigan business on a par basis, with the possibility of a country clearing house as the agency by which this change could be accomplished.

H. D. Ormsby, cashier of the National Bank of Kentucky, Louisville, which institution was organized in 1834, spoke for Louisville and that section of the country. Mr. Ormsby deprecated the fact that apparently certain banks in reserve cities seem to discriminate against Louisville, and said that action of the Louisville Clearing House in formulating a set of rules for the purpose of offsetting such discrimination had worked very little to their advantage. He told of the inability of the representatives of Louisville, Indianapolis, Cincinnati, Columbus, Cleveland and Pittsburgh when called together several years ago, to reach a successful conclusion of this important subject, owing to the difference in the manner of handling items and of the different interest rates which prevail in practically the same general territory. Mr. Ormsby was frank and generous in his expression that some plan might be evolved out of the present organization that would be of assistance to the general situation, and that the members of the Reserve City Association might work in hearty co-operation with the members of the clearing house section of the American Bankers Association in finding a way out of the present difficulties. President Mueller and several other speakers promptly acknowledged the splendid work which has been done by the members of the clearing house section of the A. B. A., and spoke of their desire to co-operate in this work.

Harry J. Haas, assistant cashier of the First National of Philadelphia, spoke for that municipality and reminded Brother Staley of Detroit that Philadelphia is the sleepy old city that gave to the country its first national bank, its first trust company, its first savings bank, its first postoffice, the first United States mint and the first postmaster-general, in the person of Benjamin Franklin, and that all these institutions still are doing business at the old stand. He said that Philadelphia would be found lined up with the rest of the country in whatever decision was reached after a full and free discussion, and that it can be depended upon to do everything possible in bringing about a proper solution of the problem.

Edward A. Seiter, vice-president of the Fifth-Third National of Cincinnati, presented a paper on ideals in banking. E. B. Clare-Avery, assistant cashier of the Merchants-LaCade National of St. Louis, told of the rules of the St. Louis Clearing House with respect to clearing house examination and told of the advantages of this system over that which prevailed formerly when the examinations were limited to national and state examinations. Mr. Avery is a forceful, convincing speaker. He speaks with confidence and has a splendid voice and clear enunciation, making him always a popular speaker on the program of any bankers' meeting.

It appears that one of the activities of this new association will be to urge clearing house examinations upon such reserve cities as do not have it. This is an important field in which much good can be accomplished, as there still are a number of cities which do not have this form of supervision.

Jerome Thralls, manager of the Kansas City Clearing House, dramatically told of the experience of the banks of that place during the flurry of 1907, when it was necessary to issue \$8,000,000 worth of clearing house cer-

tificates and script to take care of their local situation.

He called attention to the fact that if we were to have another financial flurry or panic, the Aldrich-Vreeland bill passed as an emergency measure after the trouble of 1907, should the Kansas City and St. Joe Clearing Houses jointly take advantage of it, would allow them to secure but \$3,000,000 in currency, and furthermore, drew attention to the fact that the Aldrich-Vreeland bill will expire by limitation in 1914 and urged that this matter be given careful consideration.

President Mueller then stated that the next order of business would be the selection of the place for the next annual convention of the organization. The names of the following cities were presented: Cincinnati, St. Louis, Baltimore, Philadelphia, Dallas, San Antonio and Albany. Upon a roll call St. Louis was declared the winner, and the next meeting will be held there in December, 1913. Much good-natured rivalry occurred over the selection of the place for the next meeting. Leon N. Walthall, cashier of the West Texas Bank and Trust Company of San Antonio, sparred back and forth concerning the respective merits of San Antonio and Dallas as convention cities. E. E. Gates, the attorney for the Fletcher-American National of Indianapolis, who kindly prepared the draft of the constitution and by-laws for the association, Haynes McFadden, editor of the "Southern Banker," and secretary of the Georgia Bankers Association and Jerome Thralls, manager of the Kansas City Clearing House, were made honorary members of the organization.

The committee on local arrangements consisted of F. A. Crandall, vice-president of the National City, chairman; J. Fletcher Farrell, vice-president of the Fort Dearborn National; John F. Hagey, assistant cashier of the First National; James G. Wakefield, assistant cashier of the Corn Exchange National, and Wilber Hattery, assistant cashier of the Continental and Commercial National. These gentlemen handled the matter of arrangements in a most satisfactory manner, looking after the comfort of all of the out-of-town visitors and arranging as well for the dinner in the evening.

George Hoyles Dunscomb, assistant cashier of the First National of Chicago, who was on the original organization committee at Indianapolis, was compelled to be out of the city on business, but wired his congratulations from California suggesting that they "preserve" the original name.

After dinner the only speaker of the evening was introduced by Chairman Crandall—F. O. Watts, vice-president of the Third National of St. Louis, an ex-president of the American Bankers Association. Mr. Watts told some good stories and endorsed the objects of the association, speaking of the service they might render the parent organization, the American Bankers Association, and feelingly spoke of the obligation he owed to the junior bankers of the country for assisting in his elevation to the presidency of the A. B. A. through the necessary steps from chairman of the council, through the vice-presidency, until finally the goal of his banking ambition was realized.

Notes

H. S. Zimmerman, assistant cashier of the Mellon National of Pittsburgh, brought all of his winter clothing, including a fur cap, expecting to find Medicine Hat weather in Chicago. Together with "Rosey" Wilson of the National City of Indianapolis, he was required to lay in a new supply of wearing apparel suitable for the balmy weather which prevailed during the meetings.

Among those who were present at the sessions were H. A. Arnold, vice-president of the

First National, Albany, N. Y.; J. H. Herzog, assistant cashier of the National Commercial, Albany; M. H. Grape, assistant cashier Continental Trust Company; R. E. Bolling, assistant cashier First National; C. B. Hayes, manager of the transit department, Merchants National, and Thomas Hildt, cashier of the National Bank of Commerce, Baltimore; Charles H. Marston, auditor of the National Shawmut, Boston; J. M. Hurst, assistant cashier of the National Bank of the Republic; Addison Corneau, assistant cashier, and W. G. Edens, assistant secretary, Central Trust Company of Illinois; A. E. Coen, Colonial Trust and Savings; George B. Smith, W. W. Lampert, John R. Washburn and Wilber Hattery, assistant cashiers of the Continental and Commercial National; James G. Wakefield, assistant cashier and Edward Schoeneck of the Corn Exchange National; W. F. Rowe of the Drovers Deposit National; C. R. McKay, manager of the transit department, R. F. Newhall and John F. Hagey, assistant cashiers of the First National; J. Fletcher Farrell, vice-president, and W. L. McKee of the Fort Dearborn National; C. E. Estes, assistant cashier of the Merchants Loan; F. A. Crandall, vice-president, and Schuyler P. Johnston of the National City; C. B. Hazlewood, assistant secretary of the Union Trust, all of Chicago; E. A. Seiter, vice-president of the Fifth-Third National, Cincinnati; James Ringold, assistant cashier of the United States National, Denver; J. D. Gillespie, City National, Dallas, Tex.; W. G. Staley, vice-president First National; C. R. Talbot, cashier National Bank of Commerce; B. G. Vernor, assistant to the president, Old Detroit National, and H. H. Ellerton, assistant cashier, Pennsylvania State, all of Detroit; A. H. Taylor, cashier, Continental National, G. H. Mueller, vice-president of the Fletcher-American National; E. D. Moore, vice-president Indiana National, and H. B. Wilson, assistant cashier of the National City, Indianapolis; E. Davis, Southwest National Bank of Commerce, Kansas City, Mo.; H. D. Ormsby, cashier National Bank of Kentucky, and E. B. Robertson, vice-president Southern National, Louisville; George F. Gentes, assistant cashier Aetna National, Guy B. Hurlbut, Bankers Trust; F. D. Brundage, assistant manager K. N. & K.; W. F. Albertsen, vice-president Mechanics and Metals National, all of New York City; J. De F. Richards, cashier Omaha National; Harry J. Haas, assistant cashier First National, and C. M. Prince, assistant cashier Bank of North America, Philadelphia; William Bell, manager of the transit department, Bank of Pittsburgh, N. A.; W. C. Lowrie, cashier Columbia National; J. P. McKelvey, assistant cashier Exchange National, and H. S. Zimmerman, assistant cashier Mellon National, Pittsburgh; W. W. Head, cashier German-American National, St. Joseph, Mo.; W. B. Taylor, Boatmens Bank; T. C. Tupper, assistant cashier Central National; G. M. Trumbo, assistant cashier, and J. R. Leavell, Mechanics-American National; E. B. Clare-Avery, assistant cashier Merchants-LaCade National, and E. C. Stuart and G. R. Baker, assistant cashiers of the National Bank of Commerce, St. Louis.

GEORGE M. REYNOLDS IN EAST

George M. Reynolds, president of the Continental and Commercial National, left Chicago this week for the East. He expects to return on Monday.

CORN EXCHANGE DECLARES DIVIDEND

Directors of the Corn Exchange National have declared a quarterly dividend of 4 per cent payable January 2d to stockholders of record December 24th.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$7,000,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

STRONG DUBUQUE BANK

German Trust and Savings of Dubuque, Ia., with a capital of \$100,000 and undivided profits of \$96,489.31, published a mighty good statement under the last call of the Iowa banking commissioner, showing deposits of \$1,791,939.49. Peter Klauer, a leading manufacturer of Dubuque, is president of this bank; A. F. Heeb, the principal brewer, is vice-president and N. C. Gindorff is cashier.

Des Moines, Dec. 20th.—The first meetings of the recently appointed legislative and taxation committees of the Iowa Bankers Association were held in Des Moines Thursday. In addition the executive council met so that it was the biggest meeting of bankers held in Des Moines for many weeks. Sessions were held in the office of Secretary P. W. Hall in the Fleming building. Much important business was transacted, a full account of which will be given in these columns next week. Special interest arises in the committee meetings because of changes in the taxation and other laws which the bankers will ask of the coming general assembly. The bankers invited to the sessions and directly interested therein were President Shade of Rock Rapids; F. B. Yetter of Davenport; Charles B. Hannan of Council Bluffs; C. J. Wohlenburg of Holstein; E. W. Townsend of Lake City; T. S. Hanson of Northwood; F. A. Schuetz of Lawler; Eugene Sullivan of Panama; A. E. Hindorff of Newton; B. E. Hakes of Williamsburg; J. W. Reihman of Grand Mound; Webb Hultz of Chariton; S. F. McConnell of Bloomfield; H. S. Young of Winfield; E. J. Curtin of Decorah; John McHugh of Sioux City; J. K. Demming of Dubuque; A. F. Dawson of Davenport; E. M. Scott of Cedar Rapids; J. L. Edwards of Burlington; C. D. Ellis of Charles City; M. D. Gibbs of Alton; C. H. McNider of Mason City. This list comprises the members of the executive council and the members of the two committees named.

Investigate Alleged Robber

Secretary Hall and Detective Gust Patek have been doing some investigating of the past of Joe Hartman, who is in jail at Spirit Lake on the charge that he is one of the men who robbed the Lake Park State of \$3,000 September 20th. They have found that Hartman's realname is Sam Murphy and that he has a criminal record. He has been one of a bunch of yeggs working out of St. Paul.

Secretary Hall a Strategist

Secretary Hall relates an amusing game of peek-a-boo which he played with "Decatur Red" in the jail at Fort Dodge. "Red" is in the calaboose as one of the three men who shot and wounded the marshal at Gowrie some time ago. Since his arrest, "Decatur Red" has been identified as one Crossen who did time at Anamosa and his various aliases include "Rusty" and "Red Watson." He is wanted in Kansas for bank robbery in the northern section of the state and also as one of the gang which robbed the bank at Swan Creek, Ill., some years ago. When Secretary Hall went into the jail, "Red" saw him coming and dodged into his cell. Mr. Hall watched him furtively out of one corner of his eye and managed to get a glimpse of "Red's" profile as the latter peeked out of the cell. A few minutes later, the sheriff in a tone of voice intended to be heard by "Red" invited Mr. Hall into another section of the jail. The two men passed down

The First National Bank

DAVENPORT, IOWA

is prepared to serve banks in Iowa and Western Illinois along broad, liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

the corridor. Suddenly, Mr. Hall dodged back and caught "Red" face to face. It was "Red's" turn to dodge, and he did, back into the cage. But Secretary Hall got a good look at his visage. Whether he would know him again however is a question. The officers believe they have a case against "Red" and his pals which will insure for them a life sentence.

Clearing House Association Meets

The Des Moines Clearing House Association held the best annual meeting of its history in Des Moines last week. It was the best because it showed an increase in deposits for the year of over \$24,000,000 over the preceding year. The clearings for the year totaled \$234,266,878.97, while for the preceding year they were \$209,659,412.51. This is a showing of which the bankers are justly proud. The heaviest clearings for any one month were for October when the total was \$23,563,545.71. The officers elected were D. J. Van Liew, president; L. E. Stevens, first vice-president; C. T. Cole, Jr., second vice-president; secretary and manager, George E. Pearsall; member of clearing house committee, Arthur Reynolds, chairman; J. G. Rounds, Homer A. Miller, Simon Casady and A. C. Miller.

Attack Tax Law

Suit to knock out the Iowa bank tax law on the ground that it is unconstitutional in that it discriminates against bankers has been started at Council Bluffs by the First National. The state has filed a demurrer alleging that the suit is improperly brought, in that it should be brought by the individual stockholders and not by the bank itself. It is expected that the outcome will be of unusual interest. However the bankers hope to be able to knock out the law when the next legislature meets and such a case may not be necessary.

Senator Dubious as To Agricultural Credit System

Senator A. B. Cummins is not enthusiastic over the plan of President Taft for a farm loan and credit system. The senator says he will not give his final opinion on the plan until he has made a more complete investigation, but he believes that a system which might be successful in European countries would not nec-

essarily be so here. In the West, for instance, he says there are many little banks with money to loan, while in Europe one does not find two or three banks in every town. Senator Cummins believes that the plan of the president is in effect the same as that of the building and loan associations where a number of people band together and put up securities for long time loans at low rates of interest. If the farmers wish to enter a system of this sort they must do so now and without any special legislation. Moreover, farmers are officers and directors in many banks in this country and understand the banking business thoroughly.

"Blue-Sky" Law for Iowa

It is certain that the coming legislature will have a "Blue-Sky" law similar to that in Kansas. Senator Webber of Ottumwa has a bill all ready to introduce when the legislature convenes and Senator-elect Thomas of Kent likewise is preparing to introduce a similar measure. Senator Thomas made his campaign for election on this issue. His plan proposes to compel all corporations organized within or without the state to secure a state permit before offering any stock for sale. Before granting such permit the state must make a thorough and complete investigation.

May Supervise Private Banks

Whether legislation for the control of private banks in Iowa will be proposed at the forthcoming legislative session is a question of unusual interest among bankers just now. Those who have looked into the "Blue-Sky" law proposition, for instance, say that the Kansas law would involve the private bank question in Iowa, hence they are discussing the applicability of the statute to Iowa. It is given out that one legislator is known to have promised that he will introduce a bill for consideration by the general assembly providing for state inspection of private institutions. If he does, it is safe to predict that there will be something of a rumpus. So far as the legislative committee of the Iowa Bankers Association is concerned, it is understood that it will fight shy of the proposition.

Win Tax Victory

The Iowa League of Municipalities won its first victory in its effort to force the executive council of Iowa to equalize the taxes of the state when Judge Bradshaw in the district court at Des Moines overruled a demurrer filed by the attorney-general. The latter claimed that the executive council cannot be called into court but the judge disagreed with this view. This suit is of intense interest to taxpayers. It is the contention of the plaintiff that farm land is assessed at forty per cent, railroads and corporations sixty per cent and city property eighty-five per cent. The League proposes, if possible, to force an equalization.

Banker Sells Interest

A. B. Funk, for years president of the Spirit Lake National, has sold his interest to B. B. Van Steenburg and H. H. Buck. The purchasers have been connected with the bank and are well known in financial circles. Saturday Mr. Funk's wife died and it currently is reported that he will locate in the West.

Iowa Notes

A new bank to be known as the People's Trust and Savings will be started in Iowa Falls, January 1st. The president will be W. S. Walker; vice-president, H. L. Walker of Cedar Rapids; cashier, S. J. Osgood; assistant cashier, Clifford H. Warnock.

G. D. Ellyson, formerly with the Marquardt Savings, later the Commercial Savings, was called to Bedford last week to appear as a handwriting expert in a will case involving a \$75,000 estate.

Secretary P. W. Hall of the I. A. B. says he has placed more new insurance and bond business for the association in the last three months than the combined business of the Dakotas and Minnesota. The amount thus realized as commissions is used by Secretary Hall in paying protective costs for the members who belong.

The Farmers Savings at Kalona has purchased an additional room and will add to its business rooms.

M. M. Heptonstall has been made vice-president of the Farmers Savings at Sac City. He has been for the past few years cashier of the institution. C. E. Harding, formerly cashier of the State Savings at Yetter has succeeded him as cashier.

W. W. Little has been made cashier of the State Bank of Early, succeeding the late G. S. Needham who died recently after an illness of three weeks. Mr. Little has been assistant cashier.

E. R. Haines comes from Sherwood S. D., to become cashier of the First National at Britt.

F. W. Converse, who recently sold his stock in the Iowa Savings at Estherville to M. J. Groves, will go to Los Angeles to make his home.

The German Savings at Melvin now is doing business in its new structure.

A. L. Ward, well-known banker at Fairmont, has set aside \$150,000 for a home for dependent children. This act of philanthropy has attracted wide attention over Iowa.

Asa T. Davis, teller in the Fidelity Savings at Marshalltown, was married recently to Miss Charlotte P. Southwick.

Roger Leavitt and C. A. Wise, prominent Cedar Falls bankers, were in Des Moines last week on business.

Sioux City

By JOHN J. BIDDISON

The approaching end of the year 1912 is occasion for reflection with not a little satisfaction on the part of Sioux City bankers, over the year's accomplishments. It has been a year of exceptional activity, of general prosperity, good profits, general business peace. There have been business failures, with possible losses to creditor banks, but in general these institutions have been able to successfully "cover up," and losses have been discounted before they occurred. Loans have been quite heavy and comparatively easy to get until by the late fall and early winter crop movement the demand became sufficient to cause a certain tightening of the purse strings.

Clearings for the year will show quite a marked excess over those of 1911, which, however, were not a criterion of conditions as they were, poor business year though it was. Bank consolidations last year cut down the clearings still more after crop failures had done their work. This year phenomenal crops, together with new banks, have brought the clearings up to an average of nearly 25 per cent greater than for 1911, and the first of December witnessed the total clearings up to that time well in excess of what they were for the full year previous. The total for December will be well above \$150,388,133.97, for 1910 clearings which hitherto have held the record.

Bank Examiners H. M. Bostwick and N. E. Haugen, with their clerk, have been busy the past week examining the national banks of Sioux City. There is every evidence that they find them in their usually stable and smooth running condition.

South Dakota politics, not yet settled from the disturbances of a general election, is already beginning to be ruffled by the prospects of another election two years from now. In this the bankers will be represented by at least one of their number. Geo. H. Randall, president of the Merchants Loan and Trust Company, of Rapid City, confesses an ambition to become governor of his state. Being a good democrat, he submerges this to the extent of saying that he will be a candidate only on condition that E. S. Johnson, of Yankton, who almost won this time, does not care to make another try for the office.

Friends of Mr. Randall have been trying to get him to seek appointment as examiner, but he asserts he has no ambition along this line.

Having lately returned from a visit at the Chicago land show, particularly proud of the South Dakota exhibit, Mr. Randall has started a movement to secure state appropriations for carrying on a publicity campaign in the east and middle west for the state as a whole. He will co-operate with Immigration Commissioner Deets in asking for \$250,000 to be spent in maintaining permanent exhibits in at least six big eastern centers.

H. J. McMahon, vice-president of the First State Bank of Philip, S. D., has announced that he will seek appointment to the post-mastership of his home town. He is a retired sheep man.

When the safe of the First State Bank of White Owl, S. D., was opened after the fire that destroyed the town, it was discovered that \$100 in gold had been melted down and that a considerable quantity of currency had been charred.

C. S. Allen has been elected president, M. M. Cummins, vice-president, and T. C. Torrison, cashier of the State Bank of Martin, S. D.

Johnson Brothers, owners of the Andes State Bank, Andes, S. D., have sold it to the Ravinia State Bank, of Ravinia.

The following bankers were in Sioux City the past week: W. H. Shaw, president of the Hutchinson County Bank, Parkston, S. D.; W. S. Short, president of the Northwestern State, Orange City, Iowa; Herman Fortin, cashier, Farmers Bank, Salix, Iowa; John C. Clary, president, Commercial Bank, Hornick, Iowa; Clyde Wilcox, cashier, Platte (S. D.) State Bank. State Bank Examiner J. H. Muldowney, of Nebraska, was in Sioux City Thursday calling on his friend Large at the First National.

FARMERS STATE, DYERSVILLE, IA.

Farmers State of Dyersville, Ia., is numbered among the ranks of the Roll of Honor Banks, having capital of \$30,000 and surplus and profits of \$43,661.90. Deposits are \$946,394.26. The bank was established in 1896. Officers are John T. Sudmeier, president; Bernard Vaske, vice-president; John A. Schnieders, cashier. Directors include the officers and John A. Steger, M. C. Kremer, Henry Vorwald, George Schindler, John Deppe and Laurence C. Smith.

THE BANK OF PITTSBURGH, N. A.

The Bank of Pittsburgh, National Association, was founded in 1810 and is the oldest bank in the United States, west of the Allegheny Mountains. It has capital stock of \$2,400,000, surplus and undivided profits of \$3,354,708, circulation of \$2,178,400 and deposits of \$20,432,286.63. Officers are as follows: Harrison Nesbit, president; Wilson A. Shaw, vice-president and chairman of the board; James J. Donnell and J. D. Ayres, vice-presidents; W. F. Bickel, cashier; J. M. Russell and E. M. Seibert, assistant cashiers, and George F. Wright, auditor.

HELP FIGHT TUBERCULOSIS

The Red Cross Christmas seal—little messenger of hope and cheer—is again with us. Although the little stickers cost but one cent each, they are the best investment in good health one can make. Modern science has demonstrated conclusively that tuberculosis, the great white plague, is a preventable disease if consumptives are cared for properly.

Red Cross seals help to provide hospitals, day camps, sanatoria, dispensaries, open-air schools, visiting nurses and other means for the care of consumptives. That there is need for such work is shown in the fact that there are upwards of 1,000,000 cases of consumption in the United States alone. If these sufferers are allowed to go uncared for they spread the disease among others, so that every Red Cross seal purchased is a sound investment in your own health and that of your family.

Every cent derived from the sale of Red Cross seals, after the actual cost of printing



is deducted, goes into the fight on tuberculosis in the immediate vicinity in which the stamps are sold. The Chicago Tuberculosis Institute, which is doing such splendid work along preventive lines, is supported by voluntary contributions of philanthropic persons and from the sale of Red Cross seals in Chicago. Through its committee on factories the Institute has caused a system of medical inspection to be inaugurated in some of the largest manufacturing plants in the city. By means of this medical inspection, the first symptoms of tuberculosis are detected and in many instances the workers are cured without loss of time. Without such a system of medical inspection the disease is allowed to run on until it is beyond the stage where it can be cured.

Every one can help a little in the fight by buying Red Cross seals. The actual care and treatment of consumptives must be left to experts, but funds are necessary to carry on the work and the Red Cross seal offers an easy and practical way of providing such funds. Place the seals on the back of your Christmas letters and packages. They convey a message of good cheer at this season of good will, but they do much more than that.

CALIFORNIA BANKERS ORGANIZE THE GROUP SYSTEM

A large number of bankers representing the banks in northern California met at Sacramento December 7th for the purpose of organizing a group of the California Bankers Association. J. M. Henderson, Jr., president, Sacramento Clearing House, called the meeting to order, stating the object, and introduced as the principal speaker F. H. Colburn, of San Francisco, secretary, California Bankers Association. Mr. Colburn addressed the assemblage, explaining the group system, which had received the endorsement of the state association at its last annual meeting.

The organization was completed by the election of the following officers: Alden Anderson, Sacramento, president; C. W. Bush,

Woodland, first vice-president; Fred E. Wadsworth, Yreka, second vice-president; Egbert Brown, Sacramento, secretary; W. B. Swain, Marysville, treasurer.

The bankers of California are unusually well organized. In only a very few states of the Union has the A. B. A. more members than in the "Land of Sunshine, Fruit and Flowers;" moreover, the California Bankers Association is both progressive and aggressive in behalf of its members, particularly in legislative affairs and in protective work. Such being the case, the bankers in the interior sections of the state were hesitant about adopting the group system until urged to do so by Secretary Colburn, who pointed out that the bankers of a district may with benefit to themselves, act in matters of local importance which would not necessarily be of interest to bankers of other sections of the state.

Following the inauguration of the group system the visiting bankers were entertained by the Sacramento bankers at a dance, and on the following day were taken on an extended automobile ride, opportunity being given en route to witness the operation of one of the mammoth gold dredging machines which are working the gravel beds near the Feather River.

BOND MEN'S CLUB

The Bond Men's Club of Chicago has sent out its first annual year book, containing a list of the officers, directors and committees of the organization, as well as a copy of the constitution and by-laws, together with a complete list of the members. The club is composed of representatives of most of the principal investment bond houses of Chicago. The organization is unique inasmuch as there are few similar clubs in the United States composed purely of bond men in one city.

The purpose of the club, as is stated in the preamble, is to promote the social and educational welfare of men in the investment security business. In this connection the club meets every Thursday for lunch at the Hotel LaSalle. Twice each month some speaker of prominence, either in the bond business or in some business closely allied with the investment bond business, addresses the club. Recent speakers have been W. M. L. Fiske, resident partner of Wm. A. Read & Co., Chicago; Andrew Cooke, of Cooke, Holtz & Co., Chicago, and Geo. B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank, and president of the Investment Bankers Association of America.

Officers are as follows: E. E. Quantrell of N. W. Halsey & Co., president; W. T. Bacon of the Chicago Savings Bank and Trust Company, vice-president; Frank F. Winans of the Northern Trust, secretary; Donald Scott of W. A. Read & Co., treasurer. Directors are E. E. Quantrell, B. J. Clarke, C. F. Glore, W. T. Bacon, Frank F. Winans, Donald Scott and J. R. Kimball. Committees are: Program, C. F. Glore, chairman; J. A. Stevenson, A. C. Allyn. Membership, J. R. Kimball, chairman; B. F. Taylor, G. W. Peck. Finance: B. J. Clarke, chairman; P. W. Chapman, S. W. White.

ILLINOIS HIGHWAY IMPROVEMENT ASSOCIATION CHOOSES ADDITIONAL OFFICERS

At a meeting of the officers and directors of the Illinois Highway Improvement Association held in Bloomington November 30th, the following additional officers and directors of this association were unanimously elected: As additional vice-presidents, George Woodruff, president of the First National of Joliet; John B. Lee, cashier of the Saline Trust and Savings, Harrisburg; directors, Edwin R. Wright,

president of the Illinois State Federation of Labor, Chicago; Emory Andrews, lawyer, Mattoon; A. F. Bowman, Commercial Club, Alton; J. W. Parkinson, Mt. Carmel; L. H. Bissell, photographer, Effingham; W. F. Sterling, publisher of the Rockford Gazette; E. M. Marlin, Mound City; Dr. Charles J. Whalen, Chicago, president Illinois State Medical Society; W. E. Braden, Sparta; W. D. Snow, Bloomington; J. H. Hardin, Chicago, president Sheridan Road Improvement Association; Warren Penwell, Pana, president Commercial Club; Judge W. A. Wall, Mound City; C. B. Cole, Chester; John M. Herbert, Murphysboro, president Citizens State and Savings Bank; A. J. Williford, president State Automobile Association, cashier Nokomis National Bank; Harvey G. Riggs, vice-president and cashier Mercantile Trust and Savings Bank, Quincy; Dr. Edmund J. James, president University of Illinois; A. P. Grout of Neat, Condit & Grout, bankers at Winchester, president of the Illinois Farmers' Institute; Will B. Otwell, farmer-publisher of "Otwell's Farmer Boy," Carlinville; H. A. Du Bois, Cobden; Mrs. H. A. Dunlap, Savoy, president home science department Farmers Institute; Robert Eaton, president Illinois State Grange, Joliet; John D. Shoop, Chicago, president Illinois State Teachers Association; Charles E. Morgan, cashier Litchfield Bank and Trust Company; C. W. Perry, president Citizens State and Trust Bank, Edwardsville; George Pasfield, president Springfield Chamber of Commerce; E. D. Landwehr of Shermerville, president of the Illinois State Association of Rural Letter Carriers.

CRITICISES CONSTRUCTION PLACED UPON ILLINOIS STATE REVENUE LAW

(Continued from page 15)

only has to do with the ascertaining the value of the shares of capital stock and for that reason, on account of the amount of space it would require, I do not quote it. The assessor the board of review and the state auditor all have officially held that the popular construction of the above section of our revenue law imposed the tax upon the bank, in that the assessor and board of review have made the assessment against the bank, and the state auditor has accepted the report of the banks containing the deduction for taxes under item 7(a). I believe there is no class of business better able or more willing to pay its just taxes than ours; but as I see it, the above ruling is erroneous and unjust, and it seems to me that a vigorous protest ought to be made to the end that the ruling may be revoked. If it is permitted to stand, I feel that it will work an injustice upon the banks in this state, and I sincerely hope that a proper interest may be aroused to the end it may be rightfully adjusted."

AUTOMOBILE ASSOCIATION TO MEET

Illinois State Automobile Association and the Illinois Highway Improvement Association will hold a joint meeting of officers and directors at Cairo at the Halliday Hotel, Saturday morning, December 21st. A. J. Williford of Nokomis, cashier of the Nokomis National, is president of the State Automobile Association; W. G. Edens, assistant secretary of the Central Trust Company of Illinois, is president of the Illinois Highway Improvement Association. There are many Illinois bankers in both of these organizations who are interested in securing legislation calculated to improve the conditions of the country roads.

George W. Havens has been elected president of the Ladoga (Ind.) State Bank.

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EDUCATING THE FARMER

The Chicago and Northwestern Railway, co-operating with several commercial clubs, has engaged an expert to cover Nebraska and Wyoming this month and deliver agricultural lectures at the principal stations.

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C. A. Hollingsworth, President

NEW YORK CITY

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

present to receive those who will attend and a luncheon will be prepared.

THERE is a probability that Mr. Noel's committee will be invited to attend the banquet of the executive council of the Illinois Bankers Association called for January 22d at the Congress Hotel. In case his committee is invited it is his purpose to hold a session in the morning of that date so that it may not interfere with the regular business of the council.

WORD comes from Secretary E. G. McWilliam of the savings bank section that there is every probability that the school savings bank will be an established fact in New York City before long. Work has been progressing finely in Brooklyn also and Mr. McWilliam believes their plan to be the best that has yet come to his attention.

IT is expected that the school savings bank plan will be presented to the Illinois Teachers Association convention at Peoria on the 27th by Messrs. Armstrong of Galesburg and Sipfle of Pekin, both of whom are members of Chairman Noel's committee.

SECRETARY W. F. KEYSER of Missouri is considerably agitated over the recent performances of a man in his state who gave his name as John L. Morgan. Mr. Morgan succeeded in negotiating drafts at Raymondville purporting to have been drawn by the Bank of Billings on the Third National of St. Louis. This Mr. Morgan has left a trail of spurious paper all over the state. A reward of \$50 is offered for his capture and full description has been furnished.

SECRETARY W. B. HARRISON of Oklahoma made a talk recently before the school teachers of Garfield county. He announced it as his conviction that "no teacher should be granted a certificate to teach in rural schools without having passed an examination on the elementary principles of soil fertility and crop production."

THIS good doctrine goes straight to the point and will be endorsed by all of those who have been taking an active part in the "Back to the Farm" movement.

HARRIS TRUST & SAVINGS BANK of Chicago is remembering its many friends among country banks with a specially prepared list of municipal bonds showing quite a comfortable yield. This list is for their convenience during the holiday investment period.

PLANS have been made to furnish more complete banking news from both North and South Dakota as well as from the Duluth and Superior region where commercial and financial growth has been so astonishing.

THE GUARANTY TRUST COMPANY of New York distributed on Thursday to its force of three hundred and fifty employees a Christmas bonus of ten per cent of their yearly salaries.

"MR. BROWN'S EXPERIENCE" is the newest and perhaps the best of the Guaranty Trust (N. Y.) booklets. It tells how Brown became a model patron of every department of the bank. Good stuff.

"THE BANKER," published at Pittsburgh, is "devoted to the bankers in Pennsylvania and in the United States." This upsets our classification lists. Shall we put down R. E. James, Joseph Wayne, Jr., A. S. Beymer as "bankers in Pennsylvania" and not "in the United States" unless they cross over into Jersey or West Virginia?

WE hear that Lewis E. Pierson, Brooklyn grocer, sent Rollin P. Grant, New York banker, a big Christmas turkey.

OUR good friend and fighter, J. N. Dolley of Kansas, has replied to the Investment Bankers of America resolutions adopted at the Waldorf-Astoria.

THAT'S a long way from Kansas and perhaps the young men forgot the active, persevering personality of the banking commissioner of the Sunflower State.

IN another column of this paper Mr. Dolley has his say in full and it's worth reading, just as anything is from his pen. He's an original without any very presentable counterfeits.

HE says: "I do not believe it was the intention of the Investment Bankers Association to use its influence and recommendations in assisting or aiding the enemies of the supervision by the states and government of the sale of stocks, bonds and other securities."

THERE is a combined effort all over the country by the great army of dishonest promoters and dealers in blue sky securities to check the onward march of progress and supervision by the states and government. The objections raised by the Investment Bankers Association of America are of only minor consequence and can be very easily overcome."

HIS general article tells of concessions he is willing to make to the legitimates and the promise is that good will come out of it all.

THE whole investing public is interested.

A FRIEND of ours was down Green Valley way the other day and found President John D. Phillips, of the Illinois Bankers Association out in the corn field, not actually husking it, but superintending the work.

THERE were twelve teams surrounded by huskers in the one field, and one man had a record of 180 bushels for the day. Chapman, Vincent, Curtin, Edens, Harris and the rest of you near farmers please take note.

AFTER husking J. D. is going in for a little more activity in the association work. The annual council dinner will be in Chicago, January 22d, with Col. J. S. Aisthorpe in the chair.

R. N. BALLOU calls attention to the fact that the National Produce is there with the dividend as usual.

C. C. BURFORD, down at Urbana says Christmas business never was so good. CASHIER.

AGRICULTURAL COMMITTEE MEETS

Chairman B. F. Harris of the committee on agriculture and vocational education of the Illinois Bankers Association was in Chicago Wednesday, where he called a meeting of the committee at the offices of the association in the Rookery at 10:30 A. M. There were present W. G. Edens, assistant secretary of the Central Trust Company of Illinois; J. S. Gridley, cashier of the First National of Libertyville and R. R. Ward, vice-president of the Benton State Bank. Irving Shuman was unable to be present owing to a business trip in the West. The committee considered all of the matters pending before it which relate to national field and farm demonstration work and the vocational education bill now pending before a conference committee. The committee will co-operate with the committee on good roads in the matter of formulating plans for presenting these matters to the Illinois legislature. W. G. Edens again was selected secretary of the committee.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

for such items as our good friends in these two states may care to transmit for publication.

PRESIDENT JOHN D. PHILLIPS of the Illinois Bankers Association, in a recent bulletin to the membership makes the claim that we live in the greatest agricultural state in the Union, but that he admits with sincere regret that "our roads and our road laws rank among the poorest."

PRESIDENT PHILLIPS enclosed to the membership a good roads pamphlet prepared by the good roads committee under the chairmanship of S. E. Bradt of DeKalb. This pamphlet tells what Illinois is doing as well as what other states are doing.

PRESIDENT PHILLIPS believes that this is one of the most important issues before the people of the state to-day and urges all bankers in the state to assist in producing legislation along intelligent and practical lines at the next session of the legislature.

WE could suggest another subject likely to come before the next session of the legislature in which President Phillips could be of great assistance were it not for his present environment. Do not let everybody guess that we are thinking of state supervision for it might be something else.

HOWEVER, the pamphlet which has been sent out on the subject of good roads is a very able document and should produce good results. The members of the committee responsible for its publication are S. E. Bradt, DeKalb, chairman; Thomas Sudduth, Springfield, secretary; O. P. Bourland of Pontiac; L. L. Emmerson of Mount Vernon and O. W. Hoyt of Geneseo.

WHAT do you think of those pussy-footed gentlemen known as the "Flying Squadron" slipping into Chicago for an annual meeting and jollification without ever tipping it off even to THE CHICAGO BANKER that they were coming?

BEING composed largely of publicity men and new business experts, this remarkable change of policy as from individuals to that of an association becomes one of the seven wonders of 1912 at least.

WE have been told, but do not know from experience, that newspaper men were "not admitted." We shall be glad to publish a correction if this is not true, for it ought not to be true in this day and generation.

H. E. OTTE of the National City Bank has returned from a business trip to Kansas City fully assured that the prosperity of that section of the country is entirely beyond the "recall."

PRESIDENT HENRY M. CARPENTER of the Monticello (Ia.) State Bank is sending out his Christmas greetings this year in the shape of a beautiful calendar. Mr. Carpenter is one of the new members of the Big Council from Iowa and very popular in his state. His one purpose in sending out his Christmas greetings in such beautiful shape is to give pleasure to the friends and customers of the bank.

W. M. D. MOORE, who has been a very useful and efficient vice-president in the First National at Joliet, will be found at the State National Bank of Omaha as a vice-president and cashier after January 1st. President George Woodruff gives his blessing to Mr. Moore and declares him to be "one of the best in the business."

SECRETARY F. H. COLBURN of the California Bankers Association assures us that a recent group meeting at Sacramento re-

ceived more newspaper attention than the average state convention. Colburn is a great believer in the group system and has succeeded in bringing the bankers of his state into almost unanimous accord on the subject.

J. P. HINTON, cashier of the Hannibal (Mo.) National, was unanimously chosen chairman of the executive committee of the Young Men's Christian Associations of Missouri at a meeting held at the Mercantile Club in St. Louis this week.

MR. HINTON'S election follows several years of earnest service in Y. M. C. A. work, three years of which have been spent on the state executive committee. During this time he has been one of the strongest forces in the work, and his election to this position is a merited recognition of his efforts.

AS president of the Missouri Bankers Association, Mr. Hinton made a great record. We believe his address before the Kansas bankers on "The Functions of a State Bankers Association" to be the best of its kind.

SECRETARY ANDREW SMITH had it printed in full for his membership among the Hoosiers. Any president-elect would profit by its careful study.

MR. HINTON disbelieves (hear! hear!) in association house organs, in dealing in lead pencils and typewriter ribbons and says so. He truly was a high-grade president.

GEORGE H. NORTON, who travels out for one of Chicago's enterprising bond firms, is quite a character in his way. He believes in personal advertising and goes at it systematically. When Mr. Norton thinks his firm ought to be a subscriber to a publication and they are not willing to, he foots the bill himself.

MR. NORTON is the man who distributes three-cornered lead pencils at the group meetings in Illinois and at holiday times sends out souvenirs, calendars and memorandum books to his own customers all over the state and he does it all at his own expense.

THIS has built him up quite a personal clientele and it is almost certain that his customers would stick by him no matter what bond company he might be traveling out for. It is a point worth consideration by those similarly situated.

KNAUTH, NACHOD & KUHNE of New York, who do such a tremendous business in travelers' checks, have sent out a letter dated December 16th, advising that there is every probability that the drastic liquidation which has been taking place in the stock market has put prices at about the lowest level for the year. This is worth attention by those who may have funds to invest.

SECRETARY P. W. HALL of Iowa gives a large part of his precious time to the protective work of the association. His study of the crook and his ways has led him to believe that the same energy and ability displayed in a legitimate calling would bring a very much larger income to the crook than he gets for preying upon banks and other institutions.

MR. HALL thinks it unfortunate that men of such great business capacity as some of them demonstrate in defrauding bankers do not apply their time and exert their personal magnetism in some regular business pursuit.

PRESIDENT CHARLES SHADE of the Iowa organization is not quite as much of a farmer as our own John D. Phillips of Green Valley. However, he is equally as busy a man at this time of the year.

MR. SHADE lives at Rock Rapids, where he is president of the First National, but he also is president of four other banks in as many different prosperous towns in his section of Iowa. In addition to that he is taking charge of a nine million farm loan business and has the life department for one of the largest insurance companies in the East for his state.

MR. SHADE before his election supposed that the position was largely an honorary one and that the secretary did all the rest. He has found out that the secretary does about three men's work but that necessarily there is much left for the president to do. The correspondence of the office takes up considerable time and the Iowa association with its many activities furnishes opportunities for the president to keep his hand in. Up to date the present administration has been one of progress and harmony.

COMMERCIAL NATIONAL of Washington, D. C., is making quite a hit by distributing free of charge a substantially made, cloth bound removable cover for the Washington telephone directory. The cover is furnished to those who will call for it and contains a handsome advertisement of the bank on the front cover.

ALEXANDER WOLF, counsel for the Bank of Commerce and Savings of Washington, D. C., delivered a lecture before the Washington Chapter, A. I. B., on Thursday evening, his subject being "Savings Banks."

THIS was the next to the last lecture of the banking and finance course, the concluding number being by Corcoran Thom, vice-president and trust officer of the American Security and Trust Company. This concluding lecture will occur on January 9th.

THE BANKERS ASSOCIATION of the District of Columbia held a special session this week at the New Willard in Washington to hear an explanation of the famous Lever agricultural extension bill presented by its author. Representative Ashbury F. Lever of South Carolina said he was pleased to note that the active officials of practically every banking institution in the national capital were present. At the close of his remarks the Lever bill was unanimously endorsed by the association and a committee named to urge the passage of the measure. See full report elsewhere.

MOST of the western pro-farmer advocates favor the Page bill as more nearly complete than the Lever bill but are willing to accept the Lever enactment if the Page bill cannot be passed.

CONGRESSMAN LEVY has introduced a bill in congress to reduce the treasury reserve to thirty millions. The proposed bill also provides that national banks may loan 20 per cent of capital and surplus on real estate and prohibits country banks from considering their debit balances in New York and other centers as legal reserve.

THE Levy bill is quite an innovation and will have considerable effect on the relation of liabilities to assets if passed. Opinion in Washington is that the bill will not become a law. Secretary John Poole of the Bankers Association of the District of Columbia is keeping a close eye on the situation.

CHAIRMAN JOSEPH R. NOEL has called a meeting of the committee on education in savings and thrift under the auspices of the savings bank section of the American Bankers Association, to meet at the City Club, 315 Plymouth Court, Chicago, at 12:30 next Monday, December 23d. Chairman Noel will be

(Continued on page 30)

ESTABLISHED 1857

CAPITAL and SURPLUS
\$9,000,000

THIS BANK considers it part of its business to accommodate its correspondents in every reasonable and legitimate way. The service it offers to banks and bankers is the result of strict adherence for more than half a century to principles of safe and conservative banking.



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F. W. THOMPSON .. Mgr. Farm Loan Dept.
H. G. P. DEANS Mgr. Foreign Dept.

New Trains to ST. LOUIS



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

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send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - \$ 2,000,000.00
Surplus and Undivided Profits 603,771.99
Deposits - - - - \$31,041,046.16

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F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

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Public Service Corporations**

C. W. KNISELY, C. P. A.

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Leading Bond Houses dealing in Gas, Electric and Railway Securities

Fourth Street National Bank OF PHILADELPHIA

Capital - - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

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CORRESPONDENCE INVITED**

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W. A. BULKLEY, Asst. Cashier
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C. F. SHAW, Jr., Asst. Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - - \$2,000,000
Surplus and Profits 4,900,000
Deposits - - - - 43,380,000

FRANCIS B. REEVES
President
RICHARD L. AUSTIN
Vice-President
T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier
CHARLES M. ASHTON
Assistant Cashier
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Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

DECEMBER 28, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

ROGERS PARK NATIONAL

The following have been chosen as officers of the Rogers Park National, organized recently: James J. Barbour, president; Thomas T. Snell, vice-president; W. H. Creber, cashier; directors are James J. Barbour, Thomas T. Snell; Otto E. Freund, W. H. Himmel and H. C. Snell.

The stock of the new bank was subscribed at \$120 per share, the premium constituting a surplus of \$10,000. The new institution will open for business in the near future at Greenleaf Avenue and North Clark Street.

James E. Miller

James E. Miller, formerly assistant secretary of the Knickerbocker Trust Company of New York, has been elected a vice-president of that institution. He will be in charge of the up-town office at 34th and Fifth Avenue. He entered the employ of the Knickerbocker Trust as a minor employee and his advancement from the beginning has been rapid. He was graduated from Yale in 1904.

NEW YORK BANKER FOR SECRETARY OF TREASURY

Friends of C. A. Pugsley, president of the New York Bankers Association and of the Westchester County National of Peekskill, are urging President-elect Wilson to consider the name of the New York man in appointing a secretary of the treasury. A resolution to that effect was adopted at the recent annual meeting of Group 6 of the New York association.

ELECTED VICE-PRESIDENT OF TRUST COMPANY

Edwin W. Adams has been elected a vice-president of the Title Guarantee and Trust Company of Baltimore. He has been assistant cashier of the National Bank of Baltimore for some time and prior to that time occupied a similar position with the Bank of Baltimore until its absorption by the Third National. He will assume the duties of the vice-presidency when the company moves into its new home.

NEW YORK BANK TO PENSION EM- PLOYEES

National City Bank of New York has announced the establishment of a system of pensions, death benefits and gratuities for the officers and employees of that institution, who now number more than 450. The entire expense of this plan will be borne by the bank. The pensions will be calculated on the basis of 2 per cent of the average salary for the three years immediately preceding retirement, multiplied by the number of years of service. The maximum pension is not to exceed 60 per cent of such salary, or the sum of \$5,000. The directors of the bank, however, may reward by an additional allowance any officer or employee who has rendered especially meritorious service. Retirement is to be optional at sixty years of age and compulsory at sixty-five, unless an officer or employee is requested

New Vice-President for New York Bank



HERBERT P. HOWELL, whose election as a vice-president of the National Bank of Commerce of New York becomes effective January first, has been at the head of the credit department of the Carnegie Steel Company for the past eleven years. In that time Mr. Howell has come to be considered as a credit man possessed of great ability and of peculiarly accurate information; more than that, as a credit man who has the facility of securing correct information along credit lines and of being able to impart it to others clearly and with exceptional thoroughness. Because of his unusual ability in this line, his counsel and opinions on credits have been constantly sought by most of the banks and trust companies throughout the country.

Mr. Howell is but thirty-nine years of age. All but sixteen years of his life have been spent in the service of the Carnegie Steel Company. His associates believe that one of the chief elements contributing to Mr. Howell's successful management of the credit department has been his method of conducting its relations with the steel trade. It has been one of his ideas that to advance relations at once cordial and effective it was necessary for either the head of the department or his assistant to visit the trade with considerable frequency. He has put this idea into practice through the years that the department has been under his direction. It is believed by many of Mr. Howell's friends that the personal knowledge thus directly acquired enabled him to give evidence of the qualities which first attracted the attention of eastern bankers.

by the board of directors to continue longer in the employ of the bank. The death benefits provided for are payable on the death of an officer or clerical employee in active service or a pensioner on the retired list. An amount equal to two years' salary of such officer or employee is to be paid to his family or dependents. The sum so paid, however, is not to exceed \$10,000. Upon the death of a pensioner twice the sum which he had been receiving as an annual pension is to be paid to his family or dependents.

PLAN TO REORGANIZE MICHIGAN GROUPS

Secretary (Mrs.) H. M. Brown of the Michigan Bankers Association is out with an important bulletin to the members of that organization, calling their attention to a plan to reorganize the bankers' group system in the Wolverine State by increasing the number of groups from seven to ten.

WILLIAM L. ROSS

William L. Ross of the Tillotson and Wolcott Company, Cleveland, has resigned that position to open and manage a bond department for the Second Ward Savings of Milwaukee.

NATIONAL BANK FOR AUSTIN

Application to organize the Austin (Chicago) National, with capital stock of \$100,000, has been approved by the comptroller. Among those interested are Francis E. Pray, Louis Masen, M. J. Collins, P. Junkenfeld and William F. Giles.

CHICAGO VISITORS

C. H. Worden, vice-president of the First National of Fort Wayne, an ex-president of the Indiana Bankers Association, and Charles A. Wilding, president of the Tri-State Loan and Trust Company of Fort Wayne, were recent Chicago callers. These gentlemen expressed themselves as well satisfied with conditions in their section. They reported that farm products are being marketed slowly.

George A. Anthony, president of the Kewanee (Ill.) National, which shortly will liquidate as a national institution, the intention being to conduct its business hereafter as a state bank and trust company, visited Chicago recently.

W. C. Hadley, president of the State Bank of Collinsville, Ill., was here last week. Mr. Hadley is of the group of southern Illinois bankers who believe that we should begin at once in the improvement of our country roads. Collinsville is located on the line of the old national turnpike running from Washington, D. C., to St. Louis. The people of his city and county are enthusiastic in the desire that the national government appropriate money to rebuild this historic roadway.

CHICAGO BOND MAN MOVES TO TEXAS

Levering Moore, formerly connected with the bond department of Peabody, Houghteling & Co., now is located in Houston, Tex., in the Union National Bank building, dealing in municipal bonds and as general representative of this big Chicago house in the South and Southwest.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago



WOOLWORTH BUILDING
OUR 1913 ADDRESS



The Willingness to Serve
The Equipment to Serve Well

Irving National Bank NEW YORK

Strictly a Commercial Bank

Capital - \$4,000,000
Surplus - 3,000,000

OFFICERS

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WILLIS G. NASH - - - Vice-President
BENJ. F. WERNER - - - Vice-President
CHARLES H. IMHOFF - - - Vice-President
EMIL KLEIN - - - Vice-President
HARRY E. WARD - - - Cashier
D. H. G. PENNY - - - Assistant Cashier
RICHARD J. FAUST, Jr., - - Assistant Cashier
J. FRANKLYN BOUKER - - Assistant Cashier
SAMUEL REDFERN - - Assistant Cashier



MARINE NATIONAL BANK, BUFFALO, N.Y.

The Oldest Bank of Discount in Buffalo, and the Largest in the State Outside of New York City

CAPITAL AND SURPLUS EARNINGS, \$3,500,000

TOTAL RESOURCES, OVER \$36,000,000

ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, MERCANTILE FIRMS AND INDIVIDUALS INVITED

Mainly About Banks and Bankers

HAPPY New Year to you all. A special acknowledgement is made to kind and thoughtful friends who have sent greetings and remembrance cards.

NO, the New York Clearing House Association didn't vote to "abolish collection charges" of any kind. It simply was a piece of misinformation. In an editorial the correct version was given but the "irresponsible sub-editor," as the late Joseph Medill was wont to say, was responsible.

"STERLING Debenture Bonds" no longer will be advertised, praised and endorsed by our New York contemporaries. Some of them are said to have used pressure to get the ads. Remember them?

PRESIDENT WILLIAM A. HEATH of the Chicago Bankers Club thought the members were living too high at the Blackstone and the LaSalle so he had them out to the Transit House for a square meal on the substantial.

IT was the regular December meeting, Saturday night, and was well attended. Fletcher Farrell says the eats were fine.

JOHN FLETCHER of the Drovers told the bankers of the vast business done at the yards, which for more than ten years has averaged above a million dollars a day. Little wonder the stockyards banks prosper so.

ELBERT HUBBARD, the imported talent, was expected to be amusing, but in reality, so the papers say, was quite abusive and did not keep to the subject, which always is disappointing.

IN another column, G. W. Nye, of Garfield (Wash.) National takes quite a fall out of our J. Edwards Smith, correspondent at Minneapolis. Mr. Smith was off in his punctuation of the dollars and cents quoted, the "points" being placed just one figure too far to the left.

THUS \$1,200,000 becomes \$12,000,000 and \$20,000 jumps to \$200,000.

WARREN W. SMITH, cashier of the South Chicago Savings, "is pleased to announce" that his bank not only voted the regular quarterly dividend of two per cent, but also an "extra" of two per cent. It will help out on the stockholders' Christmas bills.

A. PIATT ANDREW (where have we seen that name before) has sent out a statistical pamphlet on the "Money Trust." It contains valuable data for those who are

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

looking into the subject. Especially so for those who intend to speak or write on the question.

TREASURER of Illinois Bankers Association, O. L. Hiser, State Bank of Lexington, has sent out greetings cards. We hear that President J. D. Phillips will do the same for the association to all member banks.

W. D. VINCENT of Spokane has been elected a vice-president of the Merchants Association of that city. It is a sort of a boosters' club, a game at which Vincent shines.

YARDE, OTIS & TAYLOR, Chicago, made quite a hit with a little booklet, "The Christmas Spirit or the Bond that Ties." It tells why and how you should select only the best bonds. It was very clever in design also.

THOSE of you who remember the fine treatment bankers received on the big Chicago-Detroit Special, should try "The Wolverine," the 23-hour New York special, next trip East. C. C. Clark, who was "on" the Detroit job, is at 228 S. Clark Street and will fix you up.

"THE River-to-River-Road is due primarily to the desire of J. W. Eichinger, of the Des Moines Capital, to perform a newspaper feat. Any man who can transform an Iowa mud road to a nearly perfect highway, 380 miles long, at an estimated cost of building and maintenance for the first year of \$3.00 a mile, has grasped a new idea in road building. This road from Council Bluffs to Davenport is a success and is commanding the attention of the entire country and Canada," says Stewart Ives de Kraft, in Harper's Weekly.

WHY will not a Springfield or Peoria paper do as much for Illinois. Get Eichinger's plan.

PRESIDENT F. C. DANFORTH of the South Dakota Bankers Association announces that the executive council met at Huron, and with other things of importance set the time of the holding of the next state convention on the 25th and 26th of June at Watertown, S. D.

GEN. WM. R. HAMBY, ex-president of the Texas Bankers Association, writes to say "I have been a subscriber to your journal for quite a while. Do not let me get in arrears."

THEN the General, true to a certain accomplished Texas editor, slyly suggests "You will find all of the Texas news in the Texas Bankers Record." This with our compliments we pass on to Miss Riddle.

J. N. DOLLEY made another hit almost as great as the "Blue Sky" law. Applicants for banking positions in Kansas are given examinations and certificates just as school teachers are. Fine scheme.

IN another part of this paper it is told how a lady obtained a bank cashiership on the strength of her fine examination papers. Keep your eye on Dolley.

A BANKER out there says of the plan "the examination of proposed bank officers for positions in state banks is proving very successful and is doing a very effective work as to raising the standard of efficiency of management of the Kansas State banks."

F. B. CARSON perhaps could have kept up his bank—"The Chicago Bank"—near 63d and Cottage Grove for a long time so far as the city or the state are concerned.

HE only offered 100 per cent interest but he foolishly distributed his offers by mail. The government got him for a misuse of the mails and thus opens up a new avenue of supervision.

SUPPOSE none but real banks could use the mails for bank literature of any kind? Get it?

"THE Chicago bank reserves the right to return part or all of your deposit with 100 per cent interest at any time and without notice," is one of the baits sent out. Promises to "make you president of a small bank" were frequent.

MANY of the depositors are said to be willing to remit the 100 per cent, if they can recover the principal.

(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

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EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing.

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
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A. O. WILCOX, Mgr. Foreign Exchange Dept.	

An intimate knowledge of the demands of banks and bankers has been gained by the official organization of

THE FIRST NATIONAL BANK OF CHICAGO

through the experience of the past half-century. In that knowledge lies the value of a connection with this institution—the ability to serve that is appreciated by financial interests from coast to coast.

Correspondence is invited relative to the facilities afforded and the accommodations extended by this old, strong and conservative banking institution.

CAPITAL AND SURPLUS \$20,000,000

JAMES B. FORGAN, President	
DIVISION "F" (BANKS AND BANKERS)	
AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
J. F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 1,000,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
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B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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START THE NEW YEAR RIGHT

LET THE READJUSTMENTS
IN YOUR CONNECTIONS
INCLUDE AN ACCOUNT WITH

THE LIVE STOCK Exchange **BANK**
National
OF CHICAGO

Meeting of German Bankers Congress at Berlin

The Fourth Congress of the German Bankers Association, which was held at Munich recently, presented a contrast to its previous meetings in a twofold way. The association was born in the struggle over the Boerse law, its original purpose was to convince public opinion of the evils of that measure, and particularly to influence the government in the direction of its reform. With the removal of the worse features of the law in 1908 that end was in the main attained.

The disappearance of the Boerse law made one of the contrasts referred to, and the congress was able to devote its entire time to discussing practical banking and financial problems. Only one political grievance, the law imposing a tax upon bank cheques, came in for occasional reference by the speakers, but it did not find a place in the program of topics for discussion. The subsidence of more or less political discussion gave occasion for the second contrast, the more friendly attitude, namely, of the various governing authorities toward the association than was shown at previous congresses. When the bankers first organized at Frankfurt in 1902, the imperial government was represented, indeed, by a subordinate official, but his participation was of the most formal character; and at none of the following congresses was the government more than a mere passive observer.

At Munich there was a striking change. The imperial chancellor and the home office were represented by Under-Secretary of State Dr. Richter, who is the government's specialist in banking matters, and the imperial treasury also was represented. The Reichsbank was represented by its vice-president and another director; the Seehandlung and the Preussische Zentral-Genossenschaftskasse, two Prussian State banks, sent their presidents, both of whom took part in the discussions, as did also one of the directors of the Reichsbank. Moreover, the sessions were attended by most of the members of the Bavarian Cabinet, one of the ministers of Hesse, and by numerous members of the Reichstag and various state assemblies. Professor Riesser, who was the moving spirit in creating the original organization, was chosen for the fourth time to preside over the Congress.

In giving an account of the discussions of the Congress here, the topics will be taken up in the order of their importance. The recent efforts of the Reichsbank to improve its position by charging extra interest at the quarters' ends and also to induce the credit banks to build up larger stocks of cash and to enlarge their balances with the Reichsbank, undoubtedly have formed the most interesting subjects of discussion in banking circles of Germany

for above a year. It was, therefore, only a natural result that the discussion of the topic, "The Occasional Excessive Demands upon the Reichsbank," their causes, and the means to remedy them, easily occupied the foremost place in the attention of the bankers assembled at Munich. The principal paper on the subject was read by Professor Karl Helfferich, formerly president of the Anatolian Railway, now one of the directors of the Deutsche Bank. Dr. Helfferich widely is recognized as one of the foremost students of banking and currency problems in Germany.

By means of a formidable array of statistical material he showed that the demands upon the Reichsbank at the quarters' ends had increased threefold since 1895, whereas it had not been able to increase its resources in due proportion. The cash reserves, the gold stock in particular, have remained rather stationary. The phenomenon was attributed to the fact that the deposits, since about the same year, have not adequately increased. In explanation of this unsatisfactory movement he pointed to the immense economic development of the country, which has enlarged the requirements for currency and aggravated the periodical fluctuations in the demand, whereas the use of cheques and other substitutes for cash has not kept pace with the general monetary activity. At the same time the entire economic and social development of the country has tended to concentrate payments at the ends of the quarters.

In proposing remedies for this state of things he uttered a warning against any measures that might retard the development of industry and trade. Cheques must be more extensively used, and to this end the stamp-tax must be abolished. Small bank-notes—denominations of 20 and 50 marks—must be issued by the Reichsbank in larger amounts as means for strengthening its gold stock. The view was particularly insisted upon that the Reichsbank must require its customers to increase their balances in order to promote its efficiency, but this policy must not be undertaken by any rule of general application, but by dealing with each account individually in accordance with sound banking principles. Dr. Helfferich had no fault to find with the methods of conducting business at the head office, but the managers of the provincial branches, he claimed, often show an excess of zeal in obtaining bills for discount, instead of insisting upon the maintenance of ampler cash balances by their customers. He admitted that any increase of deposits must result in a certain contraction of credits; but this presupposes a reduction of the unduly high interest rates paid by German banks on deposits. The deposits of the banks in general are suf-

ficient indeed to secure their safety and liquidity, as was shown during the Morocco crisis of last year, when the German banks certainly came out no worse than foreign banks. The problem, however, is not one affecting the general credit banks alone; the savings banks, co-operative societies, co-operative banks, and all other institutions must take part in its solution. The postoffice cheque account system, which has sprung into great importance in the few years of its existence, must keep its surplus in a more liquid form by attaching itself to the Giro business of the Reichsbank. It also is of special importance that the various governmental financial authorities maintain larger balances with the Reichsbank and conduct their operations with more regard for money market conditions. The Imperial Treasury still contributes towards the pressure at the quarters' ends by handing in bills for discount. The banks, said Dr. Helfferich in conclusion, are willing to work for a reform in methods of making payments and for promoting the efficiency of the Reichsbank, and through their co-operation the evils under discussion can be removed; but for a complete reform the participation of all financial institutions and the various government treasuries and other boards is necessary.

Dr. Paul von Schwabach, head of the Bleichroeder Bank and formerly British Consul General at Berlin, mentioned various factors as accounting for the pressure at the Reichsbank. There has been an enormous increase in the general volume of payments in Germany; the loans of the empire and the German states have called for larger amounts for meeting interest charges; agriculture has made larger demands; prices of commodities have risen; and at the quarters' ends the general credit banks have to supply themselves with cash by having the bills in their portfolios rediscounted at the Reichsbank. General economic conditions have made it necessary for them to do this to a growing degree in recent years. The concentration of banks is another cause. The Reichsbank, too, has established its branches in every part of the empire, and these exert themselves systematically to obtain a larger share of the bills coming upon the market. Bankers often have discussed remedial measures in their meetings, but no definite solution yet has been found. The much-praised panacea of increasing the cash reserves of the banks is very difficult to apply owing to the contraction of credits involved. He doubted the practicability of legislative or administrative measures in this direction, because it would be impossible to fix a criterion for determining what new credits should be granted and what

(Continued on page 19)

Total
Resources
\$16,000,000

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CAPITAL AND SURPLUS, \$10,000,000.00

ALABAMA BANKING LAW UPHELD

That the superintendent of banks for Alabama has the right to institute suits for the purpose of reducing to his possession the assets of insolvent banking institutions has been decided by Chancellor L. D. Gardner of the southeastern chancery division. This decision was brought about as a result of a suit started by A. E. Walker, superintendent of banks, against the Montgomery Bank and Trust Company, a suit involving the assets of the bank of Geneva. The defendant demurred, claiming that the bank regulation act of 1911 was unconstitutional on the grounds that the provisions contained in section ten of the act are not included in the title of the act; second, that if so, it was the taking of property without due process of law. The chancellor ruled that the title of the act set forth the authority of the superintendent to enter such suit, and that inasmuch as provision was made for a hearing before the banking board with the subsequent right of appeal, it could not be construed as taking property without due process of law.

NEW YORK BANK DIVIDENDS

Liberty National has declared the regular quarterly dividend of 5 per cent and an extra dividend of 5 per cent, payable January 2d. Fulton Trust has declared a semiannual dividend of 5 per cent and an extra dividend of 2 per cent, payable January 2d to stockholders of record December 23d. Brooklyn Trust has declared the regular quarterly dividend of 5 per cent and an extra dividend of 10 per cent, payable January 2d, to stockholders of record December 21st.

LOUISIANA BANK MERGER

Two Louisiana banks, the First National and the Lake Charles National of that place, are to consolidate. Application has been made for a charter for the Lake Charles Trust and Savings Bank. The trust company will be operated in connection with the First National, which will be the name of the consolidated banks. The merged banks will have a capital of \$400,000 and deposits of more than \$1,500,000.

FOR REGULATION OF PRIVATE BANKS

A bill to regulate the private banks of Michigan is to be presented at the next session of the Michigan legislature by Representative James Henry of Battle Creek. Mr. Henry proposes to place some sort of regulation of the kind imposed on state banks on all of the privately owned banks in the state.

GROUP 8, NEW YORK

Members of Group 8 of the New York Bankers Association will hold their annual banquet January 20th at the Waldorf-Astoria. The list of the principal speakers has not yet been compiled. This group includes the banks located in Manhattan.

STOCKHOLDER MUST ASCERTAIN CONDITION OF BANK

In the case of Little vs. the Owensboro Savings Bank and Trust Company's Receiver (150 S. W. Rep., 334) the court of appeals of Kentucky holds "that a person purchasing stock from a bank and receiving dividends thereon for several years without taking any steps to ascertain the true condition of the bank cannot, after it has become insolvent and proceedings have been instituted to wind up its affairs, rescind the purchase on the ground of fraudulent representations as to the bank's condition, and the fact that the stockholder lives at a considerable distance from the bank, and that it would be inconvenient for him to ascertain the condition of the bank, does not change this rule."

BALTIMORE BANK MERGER RATIFIED

At a joint meeting of the committees representing the Merchants National and the National Mechanics Banks, more than 70 per cent of the stockholders of each approved the merger of the two institutions. The name of the merged banks will be the Merchants-Mechanics National Bank of Baltimore. The capital stock will be increased from one million to two millions.

PROPOSE TO INCREASE DIRECTORS

A proposition to increase the number of directors from seven to not exceeding twenty-five, will be acted upon January 14th by the stockholders of the National City of Cleveland. It also is proposed to increase the capital stock from \$250,000 to \$500,000.

DOUGLAS COUNTY WORKING FOR ROAD IMPROVEMENT

S. Y. Whitlock, cashier of the First National of Tuscola, Ill., one who has taken an active part in the development of the group system in this state and in affairs pertaining to the Illinois Bankers Association, is interested in the good roads work of his locality. Douglas county, of which Tuscola is the county seat, enjoys a reputation of having some well dragged earth roads. Mr. Whitlock says that George Seip and Edward Rideout of Tuscola, are two gentlemen who have been most active in the local good roads campaign. An organization of farmers and business men, of which Mr. Rideout is president, recently has been perfected. Early in January they are to hold a mass meeting in Tuscola at which competent speakers interested in the good roads agitation will be present and address the farmers and business men of Douglas county. It is the sort of work that Mr. Whitlock is doing in Douglas county, giving a large portion of his time and efforts in bringing the business men and farmers together, that will help to bring about a new era in road development in Illinois.

STATE BANK OF SPRING GREEN (WIS.)

H. H. Lins, acting assistant cashier of the State Bank of Spring Green, Wis., visited Chicago several days last week. Mr. Lins says that crop conditions have been very satisfactory in their part of Wisconsin, and that the deposits of the State Bank of Spring Green have shown a substantial increase since the call of September 4th, at which time they were \$274,920; under the call of the state auditor November 26th, they amounted to \$312,413. F. B. Hyland is president; Joseph Lins, vice-president; T. W. King, cashier. The board of directors, in addition to the officers, contains the names of Thomas McNulty, Mary Sales, and John Schoenmann. The bank was organized in 1900 with a capital of \$25,000. It now has surplus and undivided profits of about \$9,000.

MICHIGAN MAY HAVE GUARANTY LAW

Word comes from Michigan that Representative L. G. Wolcott of Marshall will introduce a bill at the coming session of the legislature providing for a guarantee of bank deposits. He says that he expects a great many bankers will oppose the proposed law.

ALBANY BANK MERGER

Albany (N. Y.) County Bank has been absorbed by the New York State National of that city. The New York State purchased two-thirds of the capital stock of the Albany County Bank. The combined capital of the two banks is \$750,000, with surplus a little less than a million. The New York State has deposits of \$19,600,000 and the Albany County Bank of more than a million.

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MASSACHUSETTS MAY HAVE "BLUE SKY" LAW

A bill providing for regulation of firms dealing in stocks, bonds and other securities has been filed at the state house by Representative-elect John J. Lydon of Boston. Mr. Lydon plans to place the matter of such regulation and supervision in the hands of the banking commissioner. The bill contains a provision to the effect that foreign investment companies operating in Massachusetts must agree to allow action to be brought against them by the service of process of the secretary of the commonwealth. Each company is required to file a detailed statement setting forth the plan upon which it proposes to transact its business, a copy of all contracts, bonds or other instruments which it proposes to make with or sell to its contributors, a statement which shall show the name and location of the investment company and an itemized account of its actual financial condition, the amount of its property and liabilities and such other information concerning its affairs as the bank commissioner may require.

PENNSYLVANIA BANK MERGERS

Dollar Savings Fund and Trust Company of Pittsburgh will take over the Second National of Allegheny. Second National stock will be bought in at \$380 per share. For the present both banks will continue to run as separate institutions; some time in the future, however, they will combine as one.

First National and the Yough National of Connellsville, Pa., will be consolidated in the near future. The combined resources of the two banks are three and one-half millions. It is proposed to turn the Yough National into a trust company, which will be operated by the same interests as the First National.

POINTS OUT NEED OF INCREASED RAILROAD FACILITIES

James J. Hill, in a speech delivered at the annual dinner of the Railway Business Association, held last week at the Waldorf-Astoria, New York, said:

"The commerce of the country can escape disaster only by additions to and enlargements of terminals. Between 1909 and 1910 freight ton mileage grew 11 times as fast as trackage, and five times as fast as equipment. When the railroad yards are filled with cars that cannot be moved, the railroad loses a portion of its earnings; but the business man loses a larger share of his trade, and the workingman his employment.

"The public assumes that if enough cars are provided they can be moved on schedule time from point of origin to destination, wherever these may be. This is not the real trouble. What is really needed is the greater movement

of cars. There is but one possible remedy—enlarged terminals."

The impairment of the credit of the railroads was attributed to decreased earning power and increased expenses.

Mr. Hill further said that the railroads are entitled to confidence and relief because they have displayed efficiency. He declared that the capitalization per mile of the railroads in this country is much lower than some of those in Europe.

"It is the duty of every business organization," said Mr. Hill, "of every business man, of capital interested in safe investment and labor interested in sure and remunerative employment, to help swing the country into line behind the only policy that can help and save them all. No pledge of national credit, no subsidy in cash, no immunity or privilege is asked; only freedom to raise on reasonable terms the capital without which the work cannot be done; implying necessarily freedom to earn on that capital the return without which it will not be forthcoming, and enough additional to make and keep railway equipment and service equal to the progress of invention and improvement and to the just expectations of the people."

PLAN TO PRESERVE FORESTS

Harry E. Kelley, Fort Smith banker and capitalist and reputed to be the biggest landholder in Arkansas, has set aside 10,000 acres of timber land in Phillips and Monroe counties, in the southeastern section of the state. Mr. Kelley believes that under his system this tract will supply lumber as long as those who follow him handle the forest under scientific methods. The Kelley conservation forest is the largest privately owned institution of its kind in the world.

PRIVATE BANKS CONVERTED TO STATE

C. E. Bingham & Co., of Sedro-Woolley, Wash., the biggest private bank in the state, have taken out a state charter under the name "C. E. Bingham & Co. State Bank." The capital stock is \$50,000. It was the oldest existing private bank in the state.

The private bank of Davis & Bassett at Ephrata, Wash., recently was chartered under the name of "Grant County Bank" and several other private banks are arranging their affairs preliminary to applying for charters. This action is entirely voluntary on the part of the bankers. At the last session of the legislature a measure providing for the regulation of private banks was killed by private banking interest, but since that time two large private banks have failed, so that sentiment steadily is developing against them.

AKRON TO HAVE A MORRIS BANK

According to an announcement from the offices of the Fidelity Corporation of America in Norfolk, Va., Akron, O., is to have a new bank which will be one of a series of "industrial banks" that are being started in various cities with a view of competing with the loan shark and which are being operated under a copyrighted plan, known as the "Morris plan." This bank will afford the small borrower, persons in moderate circumstances, and those temporarily embarrassed, dignified and conservative credit facilities and, in addition, will encourage systematic saving. Although it caters by design to the small borrower and deprives the loan shark of his victim by supplying him with money at human instead of inhuman interest charges, it is by no means a charitable institution and is not handicapped by loan losses that are a feature of eleemosynary loan establishments.

DEDICATION OF LINCOLN HALL

President Edmund J. James of the University of Illinois is sending out invitations for the dedication of one of its new buildings—Lincoln Hall—for February 12th, the great emancipator's birthday. Collegians from many of the noted universities will be on the speaking program. The governor will be there and there will be a noon luncheon and an evening reception. Lincoln Hall will be devoted to the study of the humanities. It is a magnificent memorial and as a purely college building is strictly of the first rank.

LONGWORTH TO HEAD TRUST COMPANY

It is reported that Nicholas Longworth, who has defeated recently for re-election to congress, will become the head of a trust company in Cincinnati.

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Surplus and Profits				1,475,000.00
Deposits	-	-	-	15,397,000.00
ORGANIZED JANUARY 17, 1807				
Dividends Paid	-			\$13,337,000.00

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ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
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STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital	-	-	-	\$ 1,500,000
Surplus and Profits (earned)				2,270,000
Deposits, over	-	-		25,500,000

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Southern Illinois Convenes at Cairo in Good Roads Movement

Cairo bankers, commercial men and motorists entertained the officers and directors of the State Automobile Association and the Illinois Highway Improvement Association at a joint meeting held in Cairo on Saturday last. The sessions were held in the Halliday Hotel. C. G. Miller, a director of the Cairo National and president of the Cairo Automobile Club, acted as host at a luncheon to the entire party at the Halliday. After luncheon the visitors were taken in automobiles, under the direction of Mayor George Parsons, a director in the Alexander County National, James H. Galligan, cashier of the same bank, and C. G. Miller, for an inspection of Alexander and Pulaski county roads. The first piece of hard roads encountered was the sample mile recently completed just outside of Cairo, which is built of crushed stone with a tar binder, and although put in shortly after the bad floods which visited the Cairo region last year when the Ohio and Mississippi rivers badly overflowed, yet it was found to be in fairly good condition.

Several miles out from Cairo the national government maintains a cemetery for the patriotic dead who participated in the campaigns in Kentucky, Tennessee and Mississippi—some ten thousand Union soldiers being buried here, the names of many of them unknown. The worst piece of road encountered during the trip of forty-five miles was a piece of road that led to the cemetery from the direction of Cairo, and which is owned and controlled by the United States government. The party passed through Mound City in Pulaski county and found the officers of the First National and of the First State Bank of that place engaged in looking after a busy Saturday afternoon's business. Part of this trip was made

Good roads advocates inspect Alexander and Pulaski county highways and discuss legislation necessary to improve Illinois country roads. Automobile and other organizations participate in the proceedings

over an old gravel road, which was the first road ever built from Cairo to Chicago and still is in a fairly good state, owing to the character of local gravel available for repairs. Passing through Villa Ridge and up through Mounds, at the First State Bank of that place a member of the old banking family of Karraker was found on the job caring for the demands of the customers of that institution. The return then was made toward Cairo. An entire stretch of state-aid road was inspected and found to be in excellent condition. This road was constructed of crushed stone and water-bound. The trip was extended out along the Beachwood road on the side of the Mississippi river, over a mile of macadam road with a Cash Creek gravel binding. This piece of road was but recently built as an experiment and is expected to give splendid satisfaction. James R. Fulkerson of Jerseyville, a former member of the state highway commission, was in the party and made a careful inspection of

these roads, it being his first visit to Cairo. He and other members of the party were surprised to find that Alexander and Pulaski county roads are in the main in fairly good condition. The interest being taken by the farmers, who now are liberal purchasers of automobiles, as well as the city folk, justifies the belief that this end of the state will make rapid strides in the matter of road development. In fact, the Cairo amendment, so-called, to the platform of the Illinois Highway Improvement Association, provides for legislation that will enable the state immediately to begin on an elaborate system of state-built highways. Cairo business interests not only are interested in the matter of road development, but must of necessity rebuild and strengthen their river levees, having suffered from flood in the spring of 1912. Some fifteen or twenty miles of splendid brick pavement have been built in Cairo during the eight years of incumbency of Mayor George Parsons, and many of their substantial public improvements have been effected during this time.

After the return to Cairo an informal dinner was served in the Colonial Hotel to the visiting good roads advocates by the members of the Cairo commercial and automobile clubs, local business men and bankers. C. G. Miller presided. After dinner, the entire party stepped into the splendidly-appointed club rooms of the Cairo Lodge of Elks in an adjoining building, where the public had been invited to attend. A large sized audience greeted the speakers. Among the speakers at this meeting were James R. Fulkerson, Jerseyville; Emory Andrews, lawyer, Mattoon; J. S. Aisthorpe, president of the First Bank and Trust, Cairo, chairman of the executive council of the Illinois Bankers Association;

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 Surplus and Profits, 700,000
 Deposits - - 31,000,000

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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84	December 5, 1911.....	25,445,199.89
February 5, 1909.....	11,617,691.24	February 20, 1912.....	26,207,446.32
March 29, 1910.....	15,041,357.21	April 18, 1912.....	27,287,752.30
March 7, 1911.....	21,574,956.79	June 14, 1912.....	28,433,836.35
September 1, 1911.....	24,500,075.82	September 4, 1912.....	31,041,482.12

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T. M. Beatty of the State Automobile Association, Quincy; W. G. Edens of Chicago, president of the Illinois Highway Improvement Association; Henry Paulman, secretary and treasurer of the State Automobile Association and manager of the Pierce-Arrow agency in Chicago. Director Grinstead followed Mr. Paulman in an interesting address, and Attorneys Lansden and Gilbert of Cairo each made appropriate remarks, bringing the meeting to a close.

Southern Illinois is interested in this good roads movement and will join with other sections of the state in urging a comprehensive legislative program. In speaking on proposed legislation necessary to "pull Illinois out of the mud," Mr. Edens said:

"That Illinois has wretched public highways, that they are wretched because our system of road building and maintenance is antiquated, and that something must be done to improve our roads and to modernize our method of caring for them are subjects on which no citizen interested in the general welfare of our state will have a negative opinion. Illinois is ready for a change and is looking for the legislature at its coming session to enact a new road law. The question of the hour is: What kind of law is needed?"

"In movements such as the good roads movement it always is wise to consult public opinion. The general sentiment of the state is a criterion to follow. If the legislature enacts a law which the sentiment of the state demands, there will be general commendation of its action and the people readily will give the new order of things a thorough trial before they offer criticisms; and if such criticisms come they will be made in a spirit more kindly than if the general sentiment of the state is not followed.

"It was to discover this public sentiment that the Illinois Highway Improvement Association called a state convention at Peoria on September 27th. The object of the association is to correlate all efforts toward the improvement of our roads and our road laws, so that there will be unity in calling the conven-

tion; therefore, the association invited every interest known to it to take part in the deliberations. Each member of the legislature was invited to nominate two delegates from his district. Each commercial club of the state and the central bodies of the bankers, the Farmers Institute, the labor unions, the women's clubs, the automobile clubs, the teachers, lawyers, doctors, postmasters, mail carriers, highway commissioners and manufacturers were asked to send delegates. In consequence the 300 men and women who attended represented organizations with memberships aggregating several hundred thousands and with property holdings running into the millions. They were the most cosmopolitan gathering of road improvement enthusiasts which ever met in Illinois.

"In discussing what sort of law Illinois ought to have, the suggestions contained in the platform of a body such as the Peoria convention may naturally be made a basis.

In the first place, it was the unanimous sentiment of the delegates that the present law should be changed. Illinois occupies a foremost place as a manufacturing, farming, mining and fish producing state. Yet, she is twenty-fourth on the list of states according to highway improvement. The present road system of the state was called "complex, wasteful and inefficient," and the following paragraph was incorporated in resolutions adopted at Peoria.

"A great network of 95,000 miles of country wagon roads is left to the haphazard efforts of 4,800 highway commissioners, working independently of each other, poorly paid, largely inexperienced, who are provided with inadequate funds."

"It was agreed by the delegates that the

present township system of building roads must be abandoned. It was recognized that modes of travel have changed since Abraham Lincoln rode the judicial circuits of Illinois, although methods of building roads have not changed a great deal. It was recognized that local communities ought not to be burdened with the responsibility of keeping up roads that are used for inter-county and inter-state traffic and a declaration was made for state and county assistance in the constructing and maintaining of main-traveled highways.

"It may be profitable to discuss the legislative recommendations of the delegates in their order.

1. State and county co-operation in the construction and maintenance of main highways and bridges.

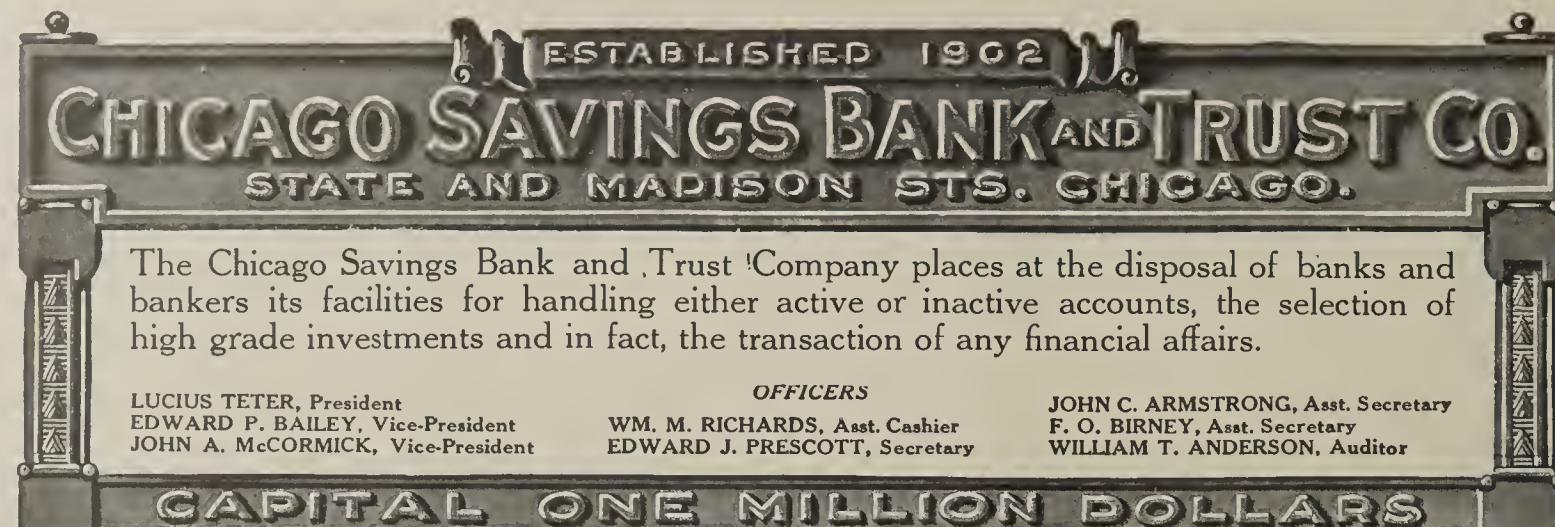
"In every state where progress is being made in road improvement there is state and county co-operation in the care of main highways. The state benefits by improved roads. In its early days Illinois gave to railroads thousands of acres of land for the purpose of encouraging the improvement of rail transportation. As yet it has done little for the public highway, which is the farmer's railroad. It takes him from his farm to the town; it carries his crop from the field to the loading station. In some of our Illinois counties the public roads are impassable to loads for more than 100 days in the year. That means business, social, educational, religious stagnation for nearly a third of every year. It means that the farmer has to hurry his crop to market during a season of good roads. The mud in the road during bad weather rather than the price of corn at the market impels him to sell his crop. If all the money that our farmers lose by the unseasonable marketing of crops were saved for a single year it would build hundreds of miles of road that would be usable the year round. Land values suffer from bad roads. If it is the business of the state to erect schools and provide teachers for our children, it also is the business of the state to see that children are able to travel to

(Continued on page 18)

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Wed., January 15, 1913, to stockholders of record at the close of business on Tues., December 31, 1912.

WILLIAM R. DRIVER, Treasurer.


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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

The season of Christmas shopping for 1912 was one of the best, if not the best, ever experienced by the bankers and business men of Illinois. With but few discordant voices, the business men in different localities report the largest sales in the history of their business. The country roads were good during the entire season and automobiles could be used throughout the weeks of shopping activity. This was in sharp contrast to the conditions of last year when the roads were "something fierce" and when even a stout team of horses could with difficulty make progress. Illinois roads are like the little girl in "Mother Goose" who when "she was good was very good and when she was bad was horrid." Improvements in highways now contemplated by various civic associations, including various bankers associations, will place Illinois roads in such a permanent shape that they can be used every Christmas season and throughout the year with ease and comfort.

Grain moving is slow owing to the scarcity of grain cars. Grain elevators are full in most cases and in many localities have refused to take corn faster than cars can be secured. Farmers have stored an immense amount of corn this year and with the constant moving of grain later, as is certain under these conditions, there will be plenty of money in the hands of the farmers and bankers through the winter. The same conditions of storing grain, reported in THE CHICAGO BANKER from Minneapolis, prevail in Illinois. There are the best of indications for prosperous conditions during the later winter.

A Busy Christmas for Bankers

Bankers over the state probably were busier this Christmas season than they ever have been before. The weeks of good weather and of good roads made a long shopping season possible and while the farmers have been able to market only a part of their grain, yet the farmers of Illinois are in such a general prosperous condition that they have either money on hand or have abundant credit at both banks and stores, so that their Christmas buying could proceed.

Many banks made a specialty of new money, which meant extra work in the pre-Christmas days, while the Christmas savings funds planned by numerous banks also were

causes of additional work, but both of these features are so much appreciated by the public that the extra work cheerfully is done by bankers. The Joliet National of Joliet and the Eastern Illinois Trust and Savings of Kankakee were especially active with their Christmas savings plans.

LaSalle National Favors Good Roads

The LaSalle National of LaSalle publishes a monthly bulletin, a summary of financial conditions both local and national, and in the last number the people of LaSalle county are urged to improve the roads leading to Starved Rock, State Park and Deer Park. These parks are spots of great natural and historic value and the coming of many tourists and motorists will mean a large revenue to the people of the county. Few places in the Central West are more beautiful than are these and the LaSalle bankers are anxious for the motorists of the country to see them. George A. Wilson is president of the LaSalle National, C. Diesterweg and Wayne Hammer are vice-presidents, and W. L. Parks is the cashier. Mr. Wilson motored to the recent good roads round-up at Bloomington, accompanied by N. W. Duncan, president of the LaSalle State Bank, and other business men.

Bank of Pesotum in New Home

The new banking room of the Bank of Pesotum, Champaign county, recently has been occupied by the bank. The flooring outside of the fixtures is of tile and behind the counters of hard oak. The bank is lighted by

acetylene gas and heated with furnace. The vault and office fixtures are of the best type made. A. W. Bragg, president of Bragg, Helm & Company of Tuscola and other Douglas county banks, is the president, and H. D. Blake is the cashier. The correspondents are the First National of Chicago and Bragg, Helm & Company of Tuscola.

The formal opening was held Saturday afternoon, December 21st, and hundreds of friends of the bank called. The good weather and good roads made a large attendance possible. Music was furnished by an orchestra, and flowers were distributed.

Farmers and Bankers at U. of I.

A number of names well known to Illinois bankers appear in the program of the short course in agriculture offered to the farmers of the state by the University of Illinois from January 13th to 24th.

William G. Edens, assistant secretary of the Central Trust Company of Illinois, Chicago, and president of the Illinois Highway Improvement Association, will lead the discussion on road making, following an address by A. N. Johnson, state engineer, on "Illinois Roads." A. P. Grout, president of the bank of Neat, Condit and Grout of Winchester and president of the Illinois Alfalfa Growers' Association, will speak on the work of that organization. "Road Improvement" will be dis-

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cussed by Homer J. Tice, of Greenview, a member of the legislature and well known to farmer-bankers. Professor Cyril G. Hopkins, who has appeared on various bank association programs, will discuss "The Use of Commercial Fertilizers," while W. G. Eckhardt, in charge of the DeKalb county agricultural work, who spoke at the last convention of the I. B. A. in Peoria, will discuss "Problems and Work to be Done by County Agricultural Advisers." In fact, the program resembles many of those constructed by ambitious bankers for group meetings in these latter days of farm and road development.

The name of the late Isaac Funk will be placed in the Illinois Hall of Fame during the short course, with appropriate exercises. Mr. Funk was the founder of the wealthy Funk family of Bloomington, prominent farmers and bankers. Next year the name of B. F. Harris, Sr., late of Champaign and founder of the Harris family of that city, will be placed in the Hall of Fame.

Lexington Bank in New Home

The Peoples Bank of Lexington, McLean county, has moved into its new banking room, which is one of the best equipped among the smaller cities of the state. The bank was established in 1910 and has capital of \$30,000. C. S. Arnold is the president and L. B. Strayer is the cashier. The correspondents are the Continental and Commercial National of Chicago and the Peoples Bank of Bloomington.

Another good bank in the same town is the State Bank of Lexington, of which O. L. Hiser, treasurer of the Illinois Bankers Association, is the cashier. The president was the late E. H. Hyneman who died since the recent Peoria convention, and who was the father-in-law of Mr. Hiser. The next president will not be elected until the January meeting of the board of directors. The bank was established in 1895, has capital of \$30,000, and the correspondents are the First National of Chicago and the Corn Belt Bank of Bloomington.

Mr. Hiser's bank, the State Bank of Lexington, acted as Santa Claus to many of the 340 school children of the town, besides those from eighteen country schools in the vicinity being invited. Each child who called at the bank Saturday afternoon, December 21st, was given a bag of candy, while the women received a Christmas remembrance book and the men were treated to apples, candy and cigars. This idea was originated by the late Mr. Hyneman

and many tributes were paid to his memory by the callers at the bank on "Santa Claus" day.

Illinois Notes

A new state bank will be organized at Brimfield, Peoria county, with Charles L. Dungan, Henry A. Blundy and Horace A. Cady as incorporators and to be known as the Exchange State Bank of Brimfield. The capital will be \$50,000.

E. P. Farwell, Chicago representative of the Babson Statistical Organization, spoke recently before the commercial students of the University of Illinois, on "Monetary and Banking Statistics as a Guard to Business Conditions."

Forty-two miles of good roads were built in 1912 in Illinois under the supervision of the state highway commission. These roads are valued at about \$250,000 not including the stone which was furnished by the state.

W. F. Firke, president of the State Bank of Mansfield, who by his methods of feeding geese on a large commercial scale has become known as the "gooseman," announces that he has placed about 5,000 geese on the eastern markets during the holiday season of 1912. Mr. Firke has made a success of his venture.

The First National of Hoopeston, one of the strong banks of eastern Illinois, has declared a semiannual dividend of ten per cent. J. S.

McFerren is the president and E. C. Griffith is the cashier. Hoopeston is in a very prosperous community and on a recent busy Saturday afternoon thirty-six automobiles, mostly belonging to farmers, were parked in the block adjacent to the First National.

A farmer youth by the name of Harry Casel, attempted to hold up the Putman County Bank at Hennepin. The youth shot W. C. Patterson, the cashier, but was frightened away before he secured any booty. A sheriff's posse followed him to an island in the Illinois river where the young bandit was captured after a desperate struggle.

The Taylor interests of St. Louis have secured 15,000 acres of coal rights near Taylorville besides the 11,000 acres previously retained. About \$336,000 will be paid to the farmers of Christian county this winter for these lands through the bank of John B. Colegrove and Company of Taylorville.

Danville banks announce that beginning January 1st they will pay interest at the rate of three per cent on all savings and time deposits. This is the first time that the Danville banks have mutually offered interest to their customers.

The Illinois State Grange has announced its corn growing prizes, which were offered through the liberality of the Home Savings and State Bank of Peoria.

Champaign county farmers and bankers are discussing the possibility of employing a county soil expert and demonstrator such as W. G. Eckhardt of DeKalb county. There will be an effort made to raise \$25,000 for this purpose.

OPPOSES ANNUAL MODELS OF AUTOMOBILES

H. O. Smith, president of the Premier Motor Manufacturing Company of Indianapolis, in a paper read at a recent meeting of the National Association of Automobile Manufacturers held in Detroit, argued against the practice of automobile manufacturers bringing out new models each year.

It is believed that the value of a bankers loan to an automobile concern greatly is depreciated by reason of annual automobile models, because no asset depreciates more rapidly than does the automobile.

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SURPLUS - - - 1,000,000

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Deposits in Milwaukee banks have increased nearly \$11,000,000 during the past year, a record unprecedented in the city's financial history. Nineteen banks show deposits of \$90,437,474, compared with \$79,524,860 last year. The nineteen listed include three new banks founded during the year. With one exception all the banks in existence at this time last year show a gain in deposits.

The following table, compiled by James A. Fetterly, assistant secretary of the Merchants & Manufacturers Association, from records of the commissioner of banking, shows the individual progress of Milwaukee's banks for the last twelve months:

	1911	1912
First National.....	\$19,294,033	\$22,153,922
Germania National...	4,370,711	4,455,268
Marine National	5,590,152	6,254,878
National Exchange...	4,477,994	4,758,398
Wisconsin National...	18,414,702	19,947,231
Badger State.....	730,023	835,837
German-American ...	2,464,915	2,905,075
Home Savings.....	77,159	231,723
Marshall & Ilsley....	9,519,191	10,634,277
Mer. & Farmers State	273,355	445,203
Merchants & Mfrs...	1,334,741	1,443,157
Milwaukee Savings...	55,081	51,907
Mitchell St. State...	543,724	689,227
North Avenue State..	94,503	243,487
Second Ward Savings	10,406,198	12,920,191
Union		117,442
West Side.....	1,874,378	1,988,814
Wisconsin State.....		230,193
Wisconsin State Sav...		131,244
Totals	\$79,524,860	\$90,437,474

During the same period the aggregate capitalization of the banks listed was increased from \$8,665,000 to \$8,990,000, showing a gain of \$325,000, although the Milwaukee National, with its capitalization of \$450,000 is no longer in existence.

A total increase for 1912 in the resources of the 607 state and mutual savings banks and trust companies in the state is computed by Banking Commissioner A. E. Kuolt at \$23,033,951.58. In a supplementary report the bank commissioner states that while an increase in the number of institutions this year accounts for the gain to some extent, there is undoubtedly a great increase in the wealth of the state and that the prosperity of its citizens is greater than at the time of any preceding report.

Banks Observe Christmas

The Yuletide season was observed in customarily munificent fashion by Milwaukee banks with Christmas gifts from two weeks' to a month's salary to employees. According to past custom, the presents are made in new currency, and to meet this demand, and that of several large offices and industrial establishments following the same policy, extra consignments of new money were received at most of the banks last week.

Second Ward Savings to Have Bond Department

Concurrent with its opening for business in its new building at Third and West Water Streets, the Second Ward Savings Bank will

institute a bond department, under the supervision of William L. Ross of Cleveland, who resigns his position as office manager for the Tillotson & Wolcott Company, investment bankers of that city, to accept the offer of the Milwaukee institution. The Second Ward Bank is already moving securities into the vault of its new building although it will do business from its present temporary headquarters on Third Street until January 15th, which the officers have set as the probable date for the final removal.

On Committee for Reorganization of Utility Company

President Fred Vogel, Jr., of the First National Bank, is one of the three members of the bondholders' protective committee whose recommendations relative to the reorganization of certain public utility companies of Wisconsin and Minnesota will in all likelihood be adopted. The plan contemplates a merger of the LaCrosse Water Power Company and the LaCrosse City Railway of LaCrosse, and the Winona Railway and Light Company of Winona, Minn., under the title of the Wisconsin Railway, Light, and Power Company, capitalized at \$1,300,000 and with bonds to the amount of \$2,500,000. It is proposed that Clement C. Smith of Milwaukee direct the destinies of the new enterprise for a five year term as president, following the reorganization.

Declares Dividend

The regular dividend of \$2 a share was declared by the executive committee of the



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

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C. C. YAWKEY

Wisconsin Telephone Company, which met here last week. The pension, disability, and insurance plan for employees, proposed by the American Telephone and Telegraph company, was formally adopted by the Wisconsin corporation and will go into effect in common with other properties of the A. T. & T. Company on January 1st.

Chamber of Commerce Adopts Amendment

Following the hottest contest ever waged on the 'change floor of the Chamber of Commerce the organization on Monday adopted an amendment to its rules, permitting the delivery of public warehouse receipts of regularly organized exchanges outside Milwaukee. Under the old rule only Milwaukee warehouse receipts were deliverable. The change of rules is expected to place Milwaukee in a prominent position on the grain trade map. Prominent men of other cities who came to Milwaukee to support the measure included F. D. Underwood, New York, president of the Erie railroad, E. W. Wagner and Alexander Lowitz, Chicago.

Death of H. M. Ackley

Henry M. Ackley, pioneer banker of Wisconsin, died last week at his home in Oconomowoc, Wis. Mr. Ackley was president of the Bank of Oconomowoc until failing health necessitated his retirement several years ago.

Milwaukee Notes

January, the month of annual meetings of bank stockholders and directors, will see the customary shake-up in the personnel of directorates and executive corps of Milwaukee banks, as elsewhere.

President James K. Ilsley of the Marshall-Ilsley Bank will represent the Milwaukee Chamber of Commerce at the first annual meeting of the Chamber of Commerce of the United States in Washington, January 21st to 23d. President W. P. Bishop of the Chamber of Commerce will also attend the meeting as counselor of the national body.

Bruno Kackawski, aged 18, is held for trial in Milwaukee following an attempt to cash a \$500 check, said to be forged.

"Give the children a home savings bank for a Christmas gift" is a newspaper admonition with which the savings department of the Wisconsin Trust Company successfully broke into the holiday trade, according to department heads.

Wisconsin Notes

The Hustisford State Bank has increased its capitalization from \$25,000 to \$30,000.

The First National Bank of Stevens Point will hold its annual meeting of stockholders and directors on January 14th.

The Warner Instrument Company of Beloit, Wis., which was purchased last week by the Stewart & Clarke Manufacturing Company of Chicago, for a reported consideration of \$2,000,000, was founded only eight years ago, following the invention by Arthur and Charles Warner of the automobile speedometer that bears their name and is now used in all parts of the world.

Newman Erb, representing the interests of the Ann Arbor, Chesapeake & Ohio and the Minneapolis, St. Louis, and Iowa Central lines, is reported to have secured 18,000 of the 25,000 shares of common stock of the Green Bay and Western Railway Company, with headquarters at Green Bay, paying \$100,000 for the same, which expires March 1, 1913.

Final settlement of the estate of Charles W. Allen, millionaire tanner and banker of Kenosha, Wis., this week showed the value of the estate to be \$4,974,012.55, exclusive of real estate valued at \$60,000. Mrs. Ella E. Allen, the widow, is named as the sole heir.

Northern Michigan Notes

Former cashier Elven T. Larson, convicted of complicity in the wrecking of the First National Bank of Ironwood, Mich., four years ago, has been released on parole from the house of correction at Detroit after serving one year of a three and one-half year term to which he was sentenced. He has signified his intention of allying with mining interests in Utah.

Cordelia Codd, aged 17, pleaded guilty before the justice court of Menominee, Mich., for forging an endorsement on a check, which she later cashed at the First State Bank of Powers, Mich. She was placed on probation.

A RIVAL TO McKINLEY SYSTEM

According to an announcement made from its head offices at Mattoon, the Central Illinois Public Service Company is about to begin the construction of a network of interurban lines which will rival those of the Illinois Traction Company, commonly known as the McKinley system. A new line into Springfield from Mattoon, through Pana and Taylorville, is one of the projects.

COLLEGE FARM EXPERTS MEET HERE

The American Society of Agricultural Engineers held a two-days' session at the Great Northern Hotel this week. The society is composed of professors of engineering and agriculture at state colleges and experts employed by agricultural machinery manufacturers, more than 125 members constituting the body. Professor H. W. Riley, of Cornell University, is president of the association. Problems of modern farming were discussed by O. W. Sjorgren of the University of Nebraska, C. A. Ocock of the University of Wisconsin, Eugene Becher of the Atlantic-Blau Gas Company and H. H. Musselman of the Michigan Agricultural College. A business meeting and smoker was held in the evening.

BIG BANK FOR DALLAS

Application to organize the Merchants National of Dallas, Tex., has been received by the comptroller. The new institution will have capital of \$250,000.

LOS ANGELES BANK INCREASES CAPITAL

The board of directors of the Globe Savings Bank, Los Angeles, Cal., have voted to increase the capital stock by \$200,000, making the total \$500,000. Charles A. Elder is president.

BANK PRESIDENT ACQUITTED

The charge of wrongful conversion of funds resting against Captain Elbridge T. Barnette, formerly president of the Washington-Alaska Bank of Nevada of Fairbanks, Alaska, which failed nearly two years ago with \$900,000 on deposit, was dismissed recently on motion of the government.

BANK MAY SELL BEER

One of the many things permitted the Bank of England by its charter is the right to sell beer without a license. It is said that the bank could, if it wished, open a public house and turn its "parlors" into a saloon bar.

MONEY TWELVE PER CENT ON THURSDAY

Rise of call money to 12 per cent on Thursday caused little concern, as a flurry at this time has been long anticipated. Money conditions will restrict trading, and a quiet stock market is expected until after January 1st, say the authorities.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis and Southwest Banking Letter

By R. L. ROBINSON

St. Louis, December 26th.—Business at the financial institutions during the past week has been quite active and all branches of banking are reported in a satisfactory condition. The demand for money has been of fair proportions and came from all classes of customers. Rates held firm at 5½ to 6 per cent on call and time loans. New York exchange has been in fair offerings and demand and the discount rate has been slightly lower, namely, 15 cents premium per \$1,000 between banks.

Broadway National Asks for State Charter

The Broadway National Bank has filed new articles of incorporation to change its organization from national to state, under the name of the Broadway Bank of St. Louis. F. Ernest Cramer, president of the bank, stated the reason for this was that a national bank is forbidden to loan money on real estate security. "We have demands for real estate loans and we want to be in condition to meet these demands," said Mr. Cramer. The capital of the Broadway National is \$200,000. The capital of the new bank will be \$100,000, with a surplus of \$25,000. The bank at present has a surplus of \$10,000. The excess over the new stock and surplus will be divided among the present stockholders. The stockholders named in the articles of incorporation are: F. Ernest Cramer, C. S. Marsh, Edward Beisbarth, Eugene H. Freund, John Clemens, George Rueckholdt, A. J. Liermann, Edmund L. Wachter, J. E. Schlichter, Henry C. Menne and Xenophon P. Wilfley.

Boosters Club Holds Banquet

The annual banquet of the Boosters Club, an organization composed of the employees of the Title Guaranty and American Trust Companies, was held Monday night at the City Club, an elaborate menu being served, while an excellent musical program was rendered. The object of the meeting is to bring the employees into closer fellowship and to bestow on them the prizes awarded by the company each year, in the form of checks, for business brought in. Under the general title "Ourselves as Others See Us," the following responded to toasts: "From a Director's Standpoint," George L. Edwards of A. G. Edwards & Sons; "From a Customer's Standpoint," George D. Rosenthal, manager General Electric Company; "From an Outsider's Standpoint," Vincent L. Price, vice-president National Candy Company; "From an Insider's Standpoint," J. C. Van Riper, president of the trust companies. An original poem by M. Walker Van Riper, secretary of the trust companies was read, and during the evening a number of choruses were rendered. There were several selections by a quartet and other

amusement features. During the evening President Van Riper announced that the companies had taken out insurance policies covering every officer and employee, and that in the event of the death of any one of them his beneficiary would receive a sum equivalent to the yearly salary of the employee or officer. This evidence of interest by the company in the men working for it provoked great enthusiasm among the men.

Tootle-Lemon National on Business Outlook

The Tootle-Lemon National of St. Joseph makes the following observations in its recent monthly letter:

"Movement of merchandise from the jobbing houses and wholesalers of this city to thousands of country stores in the West and Southwest continues on a large scale. This is an excellent sign, for such a demand never arises in years of uncertainty or distress. The average farmer of the West is now in very good circumstances and is able to purchase merchandise on a much more liberal scale than was possible last year or the year before. This accounts for the number of orders received by the great mercantile concerns of St. Joseph, which are doing a very satisfactory business. The position of most of the large mercantile interests in the West is still very strong. Not for many years has there been a broader demand for money from manufacturers, merchants and those in control of great industrial enterprises. This is suggestive of a quickening of general trade which is still the strongest feature of the present situation. This prosperity is likely to continue without interruption for some time to come. It must be remembered, however, that as the time approaches for the new administration to assume charge of the national government more will be heard of tariff revision and the extent to which the present duties will probably be reduced. So far the prospect of such a reduction has had scarcely any influence upon general business. This has been one of the

curious phenomena of the year, since almost invariably during periods of uncertainty about the tariff there has been more or less nervousness reflected in business circles. As soon as the actual work of extra session is taken up, however, the subject of the altered schedules will claim public attention and it may be that business in certain lines will be checked for a time. It is too early, however, to speak with assurance on that point as the leaders at Washington have not yet outlined their program or made any public announcement respecting their plans for the future. The opinion still prevails that the work will be taken up scientifically and with a definite purpose of interfering with business as little as possible, so that the activity of no great industry will be seriously disturbed. Of all legislation in the world none needs to be more carefully studied or more perfectly adjusted to the needs of the people of the country than legislation changing the tariff."

Bank Yegg Suspects Caught

Two men charged with robbing the Kyle State Bank were arrested last Friday near Liberty Hill, Tex. Sums of money placed in various banks in Williamson County gave a clue leading to the arrests. No formal charge has been filed against the prisoners.

American Trust of Houston Reduces Capital

In keeping with action that was outlined at a recent meeting of the directors of the American Trust Company, Houston, the capital stock has been reduced from \$500,000 to \$250,000. The directors decided not to return any of the capital to the stockholders, but to issue \$250,000 in stock against the \$500,000 of assets.

Bank Overdrafts Increase

State Bank Commissioner has made public a statement of the financial condition of the 744 state banks and trust companies in Texas at the close of business on November 26th. It shows that individual deposits increased from \$72,260,528 to \$100,893,148, or a net increase of \$28,632,566 since September 4th, the date of the last previous call. There has been an increase of \$1,401,432 in overdrafts, but this, the commissioner says, is due to the movement of the cotton crop. There is a net increase of sixteen new banks and trust companies during that period.

Texas Banks Finance Cotton Crop

The Guaranty State Bank & Trust Company and the American Exchange Bank of Dallas made available a half-million dollars for financing distressed cotton this past season and loaned money to the cotton farmers at 6 per cent, setting a precedent which was followed

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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CHICAGO

by many of the small country banks throughout the state.

New Texas Bank

An application has been filed with the comptroller of the currency to organize the Freeport National Bank, Freeport, Tex., capital \$50,000.

CUTTER, MAY & CO. OFFERINGS

Cutter, May & Co., The Rookery, Chicago, are offering \$50,000 City of Texarkana, Tex., 5 per cent school building bonds, dated January 1, 1913, due January 1, 1953, optional January 1, 1928. The denomination of the bonds is \$1,000. The price is 103.75 and interest, yielding 4.65 per cent per annum to optional date; 5 per cent thereafter.

A direct annual tax has been levied to provide for the payment of interest and to create a sinking fund for the retirement of principal at maturity.

Texarkana is located on the border-line between Texas and Arkansas, and while commercially and socially it is one big city, it is necessary, because of its unique location, to have two separate municipal governments. These bonds are issued by the Texas municipality. Its geographical location makes it of importance as a railroad center, nine railroads having terminal facilities there. The city has all modern improvements, including gas, electric light and street railway systems, excellent water supply, a fine public school system, an organized fire department, two daily newspapers, three large hotels and a number of smaller ones, and a large number of factories and other flourishing business enterprises. Six banks, with combined assets of over \$8,000,000, care for the financial interests. The country

tributary to Texarkana is one of the most productive agricultural sections of the Southwest, and large shipments of corn, cotton, potatoes (Irish and sweet), alfalfa, and other forage crops, are made annually from Texarkana.

The company also is offering \$27,000 Cuero, Tex., independent school district 5 per cent bonds, dated May 10, 1912, due May 10, 1952, optional May 10, 1932. The denomination of the bonds is \$1,000. The price is 103.16 and interest, yielding 4.75 per cent per annum to optional date; 5 per cent thereafter.

The district, which has a total area of over 17,000 acres, includes the city of Cuero, which is the county seat of Dewitt county, situated in the Gulf Coast country, about 87 miles southeast of San Antonio. The location of the city at the intersection of the Galveston, Harrisburg & San Antonio (Southern Pacific) and San Antonio & Aransas Pass railroads, places it in direct communication with the most important cities and seaports of the state, and makes it the logical, as well as the actual central market place for a number of the richest counties in that section of the state. Cuero owns its own waterworks system, and there is a first-class electric light and power plant which furnishes light to the city and supplies power at a very low rate to the various manufacturing industries. The residence section is especially beautiful, and its public school sys-

tem is the equal of any in the state. Three banks, with combined assets of about \$800,000, care for the financial interests, and among the industrial enterprises are a cotton mill with 5,000 spindles, three cotton gins, a cotton-seed oil mill, a large creamery, and several large wholesale groceries and commission houses. Cuero is the third largest cattle shipping point in the South, and also makes large shipments of poultry and eggs. The money derived from the sale of these bonds is to be used for the erection and equipment of a brick high school building. Both of these issues have been approved by the attorney-general of Texas, and registered by the state comptroller, which, under the law, renders them incontestable except on grounds of forgery or fraud. They are a legal investment for the state permanent school fund, as well as for all banks, trust companies and insurance and fraternal organizations.

SHERIDAN TRUST AND SAVINGS, CHICAGO

Sheridan Trust and Savings, located at Evanston and Wilson Avenues, Chicago, is capitalized at \$200,000 and has surplus and undivided profits amounting to \$45,000. Deposits are \$933,239.60. On November 27, 1910, they amounted to \$484,479.09 and a year later \$718,622.99. W. J. Klingenberg is president; W. G. Arnold, vice-president; Edwin L. Read, cashier, and E. J. H. Ayres, manager of the real estate loan department. Mr. Read was connected with the Central Trust Company of Illinois for nearly ten years and resigned an important position in their discount department recently in order to accept the cashiership of the Sheridan Trust and Savings.

American National Bank

Louisville, Ky.

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Editorial Comment

THE WORLD'S GREATEST TERMINAL STATION

For the third time in its history the New York Central Lines will have "the greatest terminal station in the world." In the early days that famous railroad had its terminal at the city hall park, almost at the lower extremity of Manhattan Island. After a few years the city restricted the movement of trains south of 42d Street to horse power and for many years the small passenger cars toiled laboriously up and down, sometimes behind four and sometimes behind twenty horses, owing to the condition of the tracks. Later the Grand Terminal Station was erected on the site of the present Madison Square Garden at 24th Street while later a magnificent building for the times was erected at 42d Street, the present location of the "great monumental gateway to America's greatest city"—the new Grand Central Terminal of New York. At each of these successive steps and movements towards the north, the New York Central Terminal Station was the greatest in railroad history. To-day the new monumental building which extends almost as many stories below the surface as it does above, covers a total area of nearly eighty acres and is two and one half times larger than the next largest railway terminal in the world. No foreign railway station has more than one sixth of its capacity. This magnificent building extends from Lexington to Madison on 42d Street, two blocks, and for eight blocks northward. The express trains will be on a different level from the suburban trains and all of them will be below the street level. Still lower down will come the baggage rooms and power stations. Park Avenue, which otherwise would bisect the great building, is carried over 42d Street at an elevation and then deflects to the right and left around the huge building high above the street and thus furnishes a cab stand which is acres in extent and will take all of that great business entirely away from the street sidewalk. Under those elevated streets surrounding the huge building will be restaurants and other accommodation rooms for passengers. Eighty thousand people will not crowd the new structure and it will handle seventy thousand passengers per hour during the busy season. All of the various elevations are reached by "ramps" and no stairways will be used. These inclined walks will rise or fall, as may be, at a grade of eight feet in every hundred. There are so many modern innovations in this huge passenger and traffic building that anything like a mention would be too great for the space at our command. The passengers' baggage will be shot from the ticket window through a pneumatic tube to its place of destination at the train side. There will be no trucks or trunks to impede the easy entrance to the train. All of that business will be handled blocks

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

away and far underground so far as the patrons of the road are concerned. An attempt has been made to make this the most beautiful building of its kind in the world and to make it large enough to answer the purpose of the road for all time to come. Whether these great problems have been figured out correctly must remain to be seen. It is said that Commodore Vanderbilt, who was three years in building the old Grand Central Station, then the very largest in the world, thought that it had been planned large enough to meet any future condition of traffic that might be encountered. It had fifteen tracks as against sixty-eight of the present station and was found to be almost too small by the time it was completed.

The tracks of the New York Central Lines are below the surface as far north as 56th Street and the space above them—two blocks wide—at the present time will be open to the sky. The streets, ten in number, have been carried across this open division east and west on iron and granite structures, and Park Avenue after circling the main building continues north directly in the center and over the tracks on the same kind of support. It is the intention of the railway company to erect buildings above all of these open spaces to be used as museums, hotels, business blocks, theatres, clubs and for any other purpose which will admit of a bold architectural treatment on a large scale and in harmony with the general plans. These buildings will not be sold but will be leased on long terms at reasonable rates. Probably the leases will run for as long as ninety-nine years if so required. In such cases the cost of the buildings will be repaid to the company in installments. In all of the thirty or more blocks there will be but two chimneys or smoke stacks and all power and heat will be furnished from these plants all the way from 56th to 42d Street. So vast is this great public improvement that it is expected that even the surfeited New Yorker will have something additional of which to be proud. It is quite an accomplishment to have even a railway station two and one half times larger than its nearest rival in the world and so fitted up when completed that it probably will become the new civic center for the greatest city on the western continent.

IMPROVED BANKING CONDITIONS SOUGHT

Colorado is going through the same trials through which other states went in the battle to put all banking, not national, under state supervision. Defeats have met her efforts just as they have thwarted the intentions of sister commonwealths for a time. It was so in New York, Pennsylvania, Indiana, Michigan, Wisconsin and Missouri. It will be true in Illinois and Iowa, the latest of all to engage in the warfare for better things. Out in Colorado they have a banking commissioner to start with, a thing unknown in Iowa and in Illinois. Emil Pfeifer is a member of the unafraid and he comes out boldly for state supervision, as the only remedy for almost intolerable banking conditions. He declares all banks should be compelled to incorporate for the protection of the depositors and he recommends that the state legislature be asked to enact such a law. He says:

"Strange as it may seem, bankers may now violate the laws of Colorado with impunity. We should have a good tight law carrying stiff penalties for violations, and continued violations should call for a revocation of the charter. The day of the 'dummy' director should be in the past. 'One-man' banks should be discontinued. Directors should be held responsible for acts of their officers. The man who lends his name to a bank should be made to 'pay the freight' when the institution goes under. I shall ask the legislature to abolish the private bank; I believe that all banks should be incorporated. The state should also have the power to refuse charters to newly organized banks under certain conditions. This would prevent the organization of dummy banks for the purpose of stifling competition."

All of the above has been quoted from Examiner Pfeifers' annual report to Governor John F. Shafroth and is the result of his experiences in the office of banking superintendent. His words convey a lesson to this and other states where banking is a go-as-you-please game without involuntary restrictions.

Mr. Pfeifer has other advanced ideas in addition to the abolition of the private bank. He would see none but competent men for officials and none but active men for directors. Put Pfeifer down as a true progressive in the non-political sense.

BEAR THIS IN MIND

If we are to have remedial monetary legislation within the next four years, it must come with democratic aid and consent. For that period any currency plan believed, or even suspected, to have emanated from Wall Street will meet certain defeat. Politicians west of the Hudson have used Wall Street in financial affairs and Tammany Hall in politics for years to their own profit. The idea may be a myth, but the result is a reality. Yet the opportunity offered to democracy is tempting. Should that party settle fairly and with prosperity a new banking system and a moderate



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tariff upon this country, its stay in Washington will be prolonged indefinitely.

CHEAP LAND LOANS DANGEROUS

The governmental proposed rural land credits would be a misfortune if they brought with them a recurrence of conditions of a generation ago. The farm mortgage was the butt of the jester. The ruralist was plunged in debt. Our farmer is freer of debt to-day than ever before; freer than the farmers of any other country. His lands have advanced in value and the "home market" is making him rich. Cold storage, and not the overworked soil, can be blamed with the most of the high cost of living. Any lowering of credits which will help the farmer who needs farm machinery or fertilizer, or which will enable him to re-fund his loans at a lower rate, will benefit. A rate which will cause him to plunge into land speculation will be very harmful.

SAYS LONDON FINANCES IMPORTS

Andrew Carnegie, in a recent paper prepared by him, is authority for the statement that foreign banks, especially those of London, now finance our foreign trade and that we pay them rich tribute for the service. He expressed the belief that unless we speedily reform our banking system so that we may be in a position to finance the Panama Canal trade, a good part of the money expended in its construction will be wasted. In speaking of the antiquated banking laws now in vogue, Mr. Carnegie said: "That our defective banking laws have been in existence for half a century, that they still continue to exist, are matters of wonderment throughout the civilized world. Perhaps the simplest explanation is that our country is comparatively so new. With tremendous natural resources back of us and with unequaled enterprise we have gone ahead sweepingly and regardlessly. But with all our wastefulness it is doubtful if any one extravagance equals in dire results the successive losses this country has sustained from our periodical money panics brought on directly by our panic-breeding banking system."

He advocates American banks in foreign markets, believing that they would be powerful aids in the upbuilding of our commerce and that they are indispensable because:

First. They would furnish a direct financial exchange.

Second. They would provide a safe and efficient means of obtaining credit information,

independent as to foreign merchants and impartial as to American exporters.

Third. They would correctly present to foreign customers the standing of our own export houses.

Fourth. They would furnish capital or credit at the foreign market.

Fifth. They would bring American financial interests in touch with foreign enterprises, which, if exploited, would create business for the American exporter.

Mr. Carnegie further said:

"Our banking system is unique. Unlike any other country, we have independent banks. They have no way of co-operation. But complete banking co-operation is absolutely necessary to control arising panics. Other countries have proven this. Our banks have demonstrated it by being compelled in times of stress to fall back upon their local clearing-house associations, the only means—but a crude means—of co-operation we have. The necessity of co-operation is a fundamental banking principle. It is not to be argued against. But aside from this theoretical truth we have had the obvious to guide us. They do not have panics abroad; we do.

"Again, it is only by co-operation and the consequent fixing of a uniform rate of discount, to be raised or lowered as circumstances demand, that we can control the flow of gold to and from this country. This is fundamental to international credit. It is also a banking principle.

"A second striking peculiarity of our banking system is that we have no broad discount market such as they have in Europe. Our banks are forbidden by law to accept business bills for discount. Instead, they take, for

instance, the business man's promissory note. In other words, a merchant in this country who has sold a bill of goods and wishes to realize at once on the sale, cannot change this prime evidence of exchange into a credit instrument. He gets credit at his bank on his paper "promise to pay." But this latter instrument, showing no transaction to goods, is confined to the one bank that takes it. The maker's ability to pay is unknown at other banks. So this kind of a credit instrument has no circulation powers whatever.

"In Europe, on the contrary, the business bill becomes in itself a credit instrument. The bank accepting it stamps it as a banking instrument. It is good at any other bank in that country, it may be rediscounted at the central bank of all of these banks, or it may travel to other European countries.

"Now, aside from the ready elasticity of credit that such a discount and rediscount market gives to business at home, it must be apparent that it has also a direct effect upon foreign trade. To-day our local credit instruments do not pass current in the world's markets. As a consequence the American shipper is forced to buy foreign exchange. Aside from the fact that for this unnecessary accommodation we pay annual tribute to Europe of millions of dollars, it must be apparent that the whole period of our foreign trade expansion has been seriously hampered by banking accommodations which are necessarily worked upon a limited scale and which assuredly have no reference to the broader needs of this country.

"The general and further result of the workings of our discredited monetary system is the isolation, in a measure, of the whole American market."

INCORPORATION OF CLEARING HOUSES

Of late there has been renewed interest in the proposition to incorporate clearing houses under federal law. New York bankers who have been interviewed regarding the subject, have been reluctant to commit themselves. It has been pointed out by some that no especial benefits or advantages would be derived by means of incorporation; at the same time, no serious objections have been raised to the plan. It is said that James G. Cannon, president of the Fourth National of New York, expressed himself as favoring such a plan in an address delivered before the Finance Forum in March, 1910. Interest also is being revived in the Pugsley bill on this subject, introduced in January, 1902, in the house of representatives by C. A. Pugsley, president of the New York Bankers Association, and head of the Westchester County National of Peekskill.



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C. R. LAWS	- - -	Assistant Cashier

SOUTHERN ILLINOIS CONVENES AT CAIRO IN GOOD ROADS MOVEMENT

(Continued from page 9)

school. If it is the business of the state to assist the farmer and save him money when his hogs are afflicted with cholera, it is just as much the business of the state to see that he does not lose money when he hauls the hogs to market over the public road. Social life in some parts of our state is at a low ebb because of bad roads. Thousands of women who feel the isolation most go insane on farms. The attendance at our churches suffers when travel is bad. Boys and girls desert the rural districts for the cities because bad roads keep them within narrow confines during long winter and spring months. The general welfare will be promoted by an era of good roads and it becomes apparent, I believe, that the state and the county should co-operate in their construction and maintenance.

2. A non-political state highway commission of at least three competent members, who shall devote their entire time to their duties.

The value of our public roads runs close to \$75,000,000. Each year in Illinois we spend \$7,000,000 for roads and bridges. In any other line of public or private enterprise the running of a \$75,000,000 enterprise at an annual outlay of \$7,000,000 would be along systematic, business lines. There would be a head some place, a source of authority. As has been said hundreds of times, we have 4,800 highway commissioners building roads and spending money in 4,800 different ways. Among the delegates at Peoria were representatives of the highway commissioners, led by Mr. Donovan, their president, and none better than they understood the haphazard system now in vogue and its sad results. We need a central body of some kind which will run this business of our public roads, just like a board of directors operates a railroad. No one would think of letting 4,800 employees operate a railroad, each one acting on his own initiative.

3. Improvement (in such counties as elect to come under the provisions of the law) of main, continuous, inter-county highways connecting county seats and other important cities, principally at the expense of the state and county; such roads to be selected and improved by county authorities, subject to the approval of the state highway commission, and after improvement to be turned over to the state for perpetual maintenance.

Engineers of the federal government demonstrate that twenty per cent of the roads carry about 20 per cent of all traffic and that 15 to 20 per cent of road mileage carries 60 to 70 per cent of local farm traffic. Improved market roads connecting the county seats and principal cities and towns of the state would make about 20 per cent of the total mileage in Illinois. It is these roads which bear the brunt of travel both local and foreign. On these the state and county should co-operate.

4. Improvement, maintenance and control of remaining roads (about 80 per cent of the whole) under supervision of county and township authorities.

"The lateral roads should be left to the control of the local authorities under competent county and township jurisdiction. These roads are all important, for they make up the highways over which the farmer must haul his crop to reach the main road. Each local community should solve the question of secondary roads for itself, deciding whether any should be made hard roads and dragging and draining the earth roads. It is the practice in some states to have county engineers, or county superintendents, who may be the coun-

ty surveyors, co-operate with the township commissioners on these roads.

5. Effective measure to guarantee maintenance after roads are once constructed.

"Some states have learned by hard experience that maintenance is just as important as, if not more important than, original construction. A road may as well not be improved as to leave it without maintenance. In England and France maintenance systems have been perfected to a high degree. They lessen the cost in the long run. In the Philippines our government has constructed 1,000 miles of good road and has copied the European system of watchful maintenance. It seems queer, does it not, that here in Illinois we should be behind the Philippines in road matters. At the Peoria Convention A. P. Grout, president of the Illinois Farmers Institute, and H. G. Herget, chairman of the good roads committee of the Illinois Manufacturers Association, were forceful in their advocacy of a strong maintenance section in whatever road laws the legislature passes.

6. Use of the state automobile tax, together with such other funds as the legislature may appropriate, in the improvement of highways.

"The question of financing improved highways for Illinois is not so troublesome as some people think. If we could spend the money now wasted on bad roads in a business-like manner, the problem would be partially solved. Investigation has shown that an average of 37½ per cent of the total of \$7,000,000 is wasted through inefficiency of road builders, or because the funds are lost because inadequate. The state automobile tax fund will be a nucleus for a fine highway fund. Hereafter the automobile license fund will be about \$450,000 a year. In some states a fund of this kind has been capitalized and bonds issued against it, the fund being used to pay off both the principal and the interest. In some states state bonds are issued for main state roads, county bonds for county roads and township bonds for township roads. In Illinois at present hundreds of townships do not issue bonds, as they may under the law. It has been suggested that the legislature appropriate annually a sum equal to the Illinois Central Tax and the inheritance tax, some \$3,000,000 all told, for the state's part of road work. In some states the state and the county each furnish 50 per cent of the money for main roads, while in others the county's portion is cut down by a levy of 10 or 15 per cent against the township. At all events, in Illinois, with economy and wise financing, it should be possible to raise a road fund without adding a single penny to present taxes.

7. Extension of the employment of prisoners in state institutions in the preparation of material for road building, and the use of state prisoners—under state direction—on an honor system, in actual road work when practicable.

"There is a growing sentiment in Illinois in favor of the employment of convicts in open air work. In states where it has been tried, like Colorado and Oregon, road work for convicts has been found most beneficial. It has a humanitarian side which, indeed, is the more important side, because it saves to society and the state hundreds of men who would be degraded into outcasts by indoor confinement. But there is a practical side to the question as well. Illinois has hundreds of convicts who could be employed in the preparation of road material. By the use of modern machinery the present output of crushed stone at Joliet and Chester penitentiaries could be greatly increased. Among the Peoria delegates the sentiment was freely expressed that the state could establish camps in various parts of the state where there are natural stone and gravel deposits which prisoners could prepare for road work. At Peoria, Edwin R. Wright,

president of the State Federation of Labor, made an impassioned plea for the adoption of the convict labor plank, saying that such an honor system as is followed in Colorado would not only assist the inmates of our institutions, but would also minimize the competition of prison labor with free labor.

8. Payment of all road taxes in cash.

"In some parts of Illinois road taxes are still paid in work. The taxpayer delays doing this work until such time as suits his convenience. Almost always this is at a time when the work does no good—in the late fall or winter, when no amount of work on a dirt road will guarantee its condition in the spring or summer. There is no more reason why a taxpayer should pay his tax in work than why he should do a day's work on the railroad to pay for the shipment of an express package.

9. Compulsory dragging of all dirt roads.

The road drag is a wonder-worker. It transforms a mire into a boulevard. A compulsory drag law in Iowa has given that state some of the best roads in the West. Iowa, like the greater portion of Illinois, must depend on its dirt roads. Iowa roads used to be worse than those of Illinois. Now they are uniformly better because of the compulsory drag law.

10. Safety of road users, such as "Rules of the Road," and the proper construction and guarding of crossings at railroads and intersections of streets and highways.

"At all intersections of roads, weeds and other obstructions should be cut down. At railroad crossings every obstruction which cuts off a view of the tracks from the road a reasonable distance back should be removed. On the main highways there should be extra danger signals and at some there should be gates and flagmen. There is a heavy death toll from grade crossings in the country and it can be cut down by law.

"W. D. Snow of Bloomington and W. E. Stalnaker, manager of the Premier agency, Chicago, also were in attendance. Mr. Stalnaker is a brother of President Stalnaker of the Indiana Capital National of Indianapolis."

BANK CHANGES

Baird Mitchell, cashier of the National Bank of West Virginia, Wheeling, has resigned and will be succeeded by Arthur Schmidt, who was connected for a number of years with the National Exchange Bank and at present its assistant cashier. The position vacated by Mr. Schmidt will be filled by Robert Boyd, who has been connected with the bank for a number of years.

H. A. Keplinger has resigned as director and second vice-president of the First National of Fort Wayne, Ind. He will become engaged actively in a long established manufacturing business in Cleveland. The resignation is to become effective January 1st.

Equity Savings and Loan Company of Cincinnati has elected H. H. Hackman, president of the Hackman Leather Company, and G. Greve, president of the Cleveland Pneumatic Tool Company as members of its board of directors, taking the places of H. N. Munson and Major C. H. Smith, deceased. All the other directors again were chosen at the annual meeting held recently.

George B. Pendleton has been chosen secretary and treasurer of the Trust Company of Georgia, Atlanta. He succeeds John B. Wheat, who served in that capacity for fifteen years.

E. V. Connelly will be the president of the Commercial National of Long Island City, N. Y., recently organized by Horace Havemeyer and his associates. Mr. Connelly has resigned his position as cashier of the Aetna National and will assume his new duties January 15th.

1868.



1913

To all who have helped make the closing year the most successful in the history of our institution, we express our sincere thanks and appreciation.

To those who may continue to favor us with their business and to those who anticipate establishing relations with us during the coming year we offer our excellent facilities and our personal attention to all matters entrusted to our care.

The Live Stock Exchange National Bank of Chicago

MEETING OF GERMAN BANKERS CONGRESS AT BERLIN

(Continued from page 5)

old ones liquidated. Measures tending to check industrial development are highly dangerous and may have evil effects that may require decades to overcome. Credits for carrying stock accounts are economically beneficial and even indispensable, and such loans do not affect the Reichsbank to any great extent in proportion to its total outlay; moreover, it is a well-known fact that operators usually reduce their engagements as the ends of the quarters draw near. The German banks, in taking over foreign loans, have proceeded with as much regard as possible for the money market. Such loans are often of the greatest importance in promoting foreign trade, and the banks often have taken them with no prospect of profit, but only for the purpose of subserving this higher end.

In discussing remedies for the pressure at the Reichsbank, Dr. von Schwabach said that the issue of small notes already has had a good effect; but the law fixing a maximum amount of such issues is unnecessary, since there will be no danger for a long time—in view of the customs of the German people in making payments—of depleting the circulation of its gold element. Referring to the innovation introduced last year by the Reichsbank of charging extra interest at the quarters' ends as a means for relieving the pressure upon it, he was of the opinion that the measure had been practically without effect. The point of difficulty lies, not in increasing the volume of discounts, but in strengthening the metallic covering of the notes; and precisely this result has not been attained through the measure in question.

The most important means for improving

the status of the Reichsbank, continued Dr. von Schwabach, is to reform the method of making payments. Much can be done toward progress at this point. The bank cheque must be popularized in the widest sense. Progress has been made in the use of post-office cheques, whereas the circulation of bank cheques actually has been narrowed by the stamp-tax introduced in 1909. All experts and all organs of commercial opinion are unanimous in demanding its abolition. The experiment of mortgage clearings—begun by the Reichsbank several years ago, but subsequently abandoned by reason of the slight co-operation of the mortgage banks—again should be taken up as one means of avoiding the transport of large amounts of cash about the streets of Berlin at the quarters' ends. Bankers might help to alleviate the pressure at the Reichsbank by gradually increasing their own cash reserves, as well as their balances with it, and by requiring larger margins on the stock engagements of their customers.

Richard Schmidt, president of the Leipzig Chamber of Commerce, combated the view that a bank is in a satisfactory position when two-thirds of its liabilities are covered by its quick assets. This may have proved adequate in former times and under different conditions, but the concentration of banks has thrown such heavy pressure upon the Reichsbank that the two-thirds covering no longer suffices for it. The old rule never has been tested in a grave political crisis since the changed conditions referred to came into existence. The cash reserves of the big banks in particular are too small for the heavy liabilities maturing at the quarters' ends. Credits have been greatly lengthened within recent years—ordinary commercial credits extend in some cases to a full year; and this compels manu-

facturers and merchants to avail themselves more extensively of bank credits. This affects the Reichsbank both directly and indirectly. Other causes for the pressure are found in heavy speculation in commodities, securities, land, and business buildings. The extraordinary economic development of the country, which has outstripped the process of creating and accumulating new capital, makes itself felt at the Reichsbank, whose returns show that it is approaching the limit of its capacity. The pressure is intensified by the rise in prices and wages, increased social-reform burdens, improved standards of living, and increased luxury.

Director von Lumm, of the Reichsbank, who has been writing effectively in banking publications in defense of the Reichsbank's endeavors to reform banking practice, noted that the previous speakers fully agreed with him as to the necessity for an increase of balances with the Reichsbank on the part of the credit banks. The president of the Reichsbank, as well as he himself, wanted to see competition among the banks kept within safe bounds, but the means for achieving this result must be left to the banks themselves, rather than fixed by legislation. It is the aim of the Reichsbank to induce the banks to increase their cash reserves, and thus to place the entire business activity of the country upon a broader basis. Dr. Heiligenstadt, president of the Preussische Zentral-Genossenschaftskasse, the central institution established by the Prussian Government with public funds for the purpose of assisting the co-operative agricultural banks, pointed out that his institution long has been occupied with the problem of improving the liquidity of the co-operative banks, but it was defeated in this by the

(Continued on page 21)

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CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Thus far this winter the Central West has had so little moisture that farmers have begun to worry over the wheat crop and merchants are complaining that their stocks of cold weather clothing cannot be moved. Warm and bright days have prevailed which, while very pleasant in themselves, are not conducive to enthusiasm on the part of business men. The holiday business has been very satisfactory and indicates widespread and well distributed prosperity among the people. "It is too true that people are hard to please," remarked President J. R. Dominick to a representative of THE CHICAGO BANKER the other day, "but it is a fact that this sort of weather is really bad for business. Of course there is still plenty of time for the rains and snows which usually mark the mid-winter season, but the delay already has brought serious loss to many merchants. Stock feeders are having ideal conditions and there is scarcely any question now but the supply of fat stock will be plentiful in the early spring. The one favorable aspect of this dry spell has been the absence of high winds calculated to dry the earth and blow seeds out of the fields. One or two good snows or soaking rains will put the wheat in growing condition. Banks are reporting normal business and reflect the good holiday business enjoyed by merchants. In Oklahoma and parts of Texas good rains and snows have fallen in generous measure and this condition taken with the minimum of loss to the cattle interests ought to mean continued prosperity in that part of the Central West."

Sawyer to Succeed J. N. Dolley

Although the organized protest among the Kansas state bankers against the appointment of Charles Sawyer to the office of state bank commissioner promised to develop a puzzling political situation in that state, the storm has been averted and Governor-elect Hodges has notified all concerned that Mr. Sawyer will get the appointment which will become effective March 1, with the retirement of Mr. Dooley. The latter says he does not care to hold on until that time, but he has about twenty employees, mostly examiners who will lose their positions when he vacates the office and he does not want to turn them out in the middle of winter. An amusing feature of the objection of the state bankers to the appointment of Mr. Sawyer was the fact that he is a prominent national banker and the state bankers feared his attitude toward the enforcement of the state bank deposit guaranty law. It now turns out that, while Mr. Sawyer is a national banker, his greatest financial interests are invested in several state banks and that he is a strong advocate of the deposit guaranty system.

Kansas State Banks

According to the report of Bank Commissioner J. N. Dolley, deposits in Kansas state banks are still over the hundred million dollar mark. This report is based upon the state bank call of December 4. The actual total deposits in the 903 Kansas state banks are \$105,570,314, a decrease of \$475,000 from the statement of September 11, but an increase of more than three million dollars over the deposits of a year ago. It is pointed out that the bank deposits of the winter season usually show a small decrease from the early fall statements when the big wheat movement is on. The recent statement shows an increase in all the other banking items except overdrafts, which decreased more than \$100,000, indicating that business men are paying their debts. The cash held in reserve is 32 1-4 per cent of the total deposits, 10 per cent more than the legal requirement.

Loan School Fund to Farmers

Kansas farmers are casting wistful eyes upon the school fund of that state which may become available in the form of loans on farms at a low rate. This fund is now a little more than nine million dollars and is invested in school district and municipal bonds. J. H. Miller, dean of the extension division of the Kansas State Agricultural College, is leading in a movement to convert the school fund into cash to be lent on long terms—eight to twelve years—to ambitious farmers who wish either to buy new farms or add to their present agricultural holdings. It is proposed to make the rate of interest very low—five per cent or less—and many prominent men in Kansas are in favor of the project. Of course the nine million dollars would not be sufficient for the demands, but that sum would go a long way toward reducing interest rates by competition and it would help to solve the farm credit problem. In all probability this matter will be presented to the Kansas legislature this winter.

File Suit Against Lumber Company.

By the filing of a suit of foreclosure against the Consolidated Lumber Company of Denver, a number of Omaha bondholders have made a last effort to realize something on the \$500,000 which they invested in that project six years ago. The suit was filed last week and the assets of the company will be sold and may be bought by the Omaha bondholders in the hope that more funds may be secured and the business placed on a paying basis. The Omaha men most heavily interested are Charles Harding, George E. Barker, Thomas A. Fry, W. J. Foye, John H. Harte, Samuel Rees, Sr., and George Bancroft. In addition to the Omaha interests Denver capitalists put about \$400,000

into the enterprise. This was a promotion scheme and appeared to be a good thing but it was found necessary to build a railroad in connection with the lumber mill and the investment was too heavy for the business done.

Banks Not Permitted to Form Trust Companies

According to a ruling given by First Assistant Attorney General Crawford, of Texas, last week, it is a violation of the anti-trust laws of Texas for a national bank to organize a trust company, the stock of which is to be taken by the stockholders of the bank in the same proportion in which they own stock in the bank and to hold together the stocks of the two institutions. The ruling came after the question had been put by Henry C. Coke, of Dallas, who, in a communication to the banking department, stated that the business of the American National of Dallas, having within the last few years grown so large, now finds that much valuable business is constantly offered which must be declined. This ruling probably will cause a reorganization of several trust companies in the Lone Star state and will be of interest in several other western states where practically the same anti-trust laws are in force.

Central West Notes

Early in the morning of December 19, robbers blew open the vault of the Bank of Jones, twenty miles from Oklahoma City, and secured \$1,800. They escaped.

A. M. Bedford, 84 years old, and for fifteen years president of the State Savings Bank of Savannah, Mo., died last week of pneumonia.

Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, was elected vice-president of the Kansas City Country Club last week.

Miss Josie McCormack, of Moran, Kas., took the examination before the Kansas banking commission last week and will engage in banking in her home town. She is the first woman to take the examination under the new rules.

State Bank Examiner Emil Pfeiffer of Colorado, in his recent annual report, recommends the abolition of private banks. The examiner contends that all banks should be compelled to incorporate for the protection of depositors and he asks the legislature to enact such a law.

The following reserve agents have been approved by the Texas banking department: for the First State of Rice, the Citizens National of Ennis and the First State of Corsicana; for the Planters State of Harlingen, the Merchants National of Brownsville; for the Citizens

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State of League City, the South Texas Commercial National of Houston; for the First State of Bomarton, the National Stock Yards National of East St. Louis; for the San Bonito Bank and Trust Company, of San Bonito, the West Texas Bank and Trust Company of San Antonio; for the Ravenna State of Ravenna, the City National of Dallas.

The Dallas Trust and Savings Bank has purchased at par and accrued interest with a \$50 premium, the \$525,000 remaining bonds of the city of Dallas which were issued last spring.

Among the out-of-town bankers who visited Kansas City's financial district last week were: E. R. Thorpe, president of the Citizens State of Lane, Kas.; H. W. Grass, president of the Farmers and Merchants Bank of La Crosse, Kas.; J. B. Betts, vice-president of the German-American State of Topeka; F. W. Collier, cashier of the Farmers & Merchants State Bank of Kingsley, Kas.; D. L. Baskett, cashier of the Bucklin State, Bucklin, Kas.; R. P. Brewer, cashier of the First National of McAlester, Ok.; Charles E. Head, president, and W. M. Pegg, cashier of the First National of Allen, Ok.; C. F. Elerick, president of the First State of Oklahoma City, Ok.; Forest Davis, president of the Bank of Nevada, Mo.; J. H. McNair, president of the Halstead Bank, Halstead, Kas.; W. B. Kiler, vice-president of the Peoples National, Ottawa, Kas.; George J. Taft, cashier of the Farmers State, Garver, Ok.; A. H. Prater, cashier of the Council Grove National, Council Grove, Kas.

MEETING OF GERMAN BANKERS CONGRESS AT BERLIN

(Continued from page 19)

sharp competition of the credit banks for deposits.

The congress finally adopted with unanimity and with lively applause a declaration of which the following is a condensation:

The causes for the strongly increased demands upon the Reichsbank are to be seen (1) in the intense economic development of Germany; (2) in the antiquated methods of making payments, in the slight use of substitutes for cash; (3) in the more intense utilization of all available capital, which necessarily finds expression in diminishing the liquidity of German business in general, and, in particular, in reducing cash holdings to a relatively low basis; (4) in the financial practice of the empire and the German states, which frequently ignore money market considerations in their operations.

The declaration further proposes the following remedies for existing evils: (1) The method of making payments must be improved by promoting the freer use of substitutes for cash, and by removing the stamp-tax on cheques; (2) the Reichsbank's gold stock must be enlarged by drawing gold from home channels, to which end small notes must be issued in larger amounts, and by the heaviest possible imports from abroad; (3) certain large, regularly recurring payments must be shifted from the quarters' ends to other dates; (4) the cash stocks of banks of all kinds must be enlarged, along with a curtailment of all excessive expansion of credits; and it is desirable that the banks increase their balances with the Reichsbank, but the latter is advised to carry through this reform by treating each account individ-

ually and without attempting to establish fixed general rules; (5) the empire, the states, and other public authorities must manage their finances with less regard to purely fiscal viewpoints and with more consideration for general economic interests.

Previous to the foregoing discussion the congress had considered the subject of the German imperial and state loans and their standing in the markets. It was opened with a remarkably interesting paper on "Suitable and Unsuitable Means for Raising the Quotations of State Paper," by Max M. Warburg, head of the well-known Hamburg house of that name. This subject has called for much attention in Germany for some years, and many proposals for lifting the price of the public fund have been put forth. Some six years ago Baron von Rheinbaben, then Prussian Minister of Finance, tried in vain to get the Chamber of Deputies to pass a law requiring the savings banks to invest a certain proportion of their deposits in the funds; and last winter another bill for this purpose was brought in, but it has not yet been disposed of.

LONG TIME TO FARM BUYERS

Details of the new land policy of the Canadian Pacific railway show that all of the company's lands, approximately 7,000,000 acres, will be withdrawn from sale to any but bona fide settlers, but that the sales to settlers hereafter will be on twenty year terms, the longest time ever granted to land purchasers.

ALASKA BANKERS ACQUITTED

Captain Elbridge T. Barnette and B. R. Dusenbury were acquitted by Federal Judge Thos. R. Lyons on Tuesday of last week of the charge of making a false statement of the condition of the Washington-Alaska Bank at Fairbanks. Judge Lyons said the prosecution had failed to show intent to deceive or to defraud. The testimony introduced by the prosecution showed that estimates of assets, which it was alleged were overvalued, were

adopted by a committee of depositors after careful investigation of the securities held by the bank. The other case growing out of the failure of the bank, two years ago, will go to trial at once.

THE INVESTOR AND THE GOLD SUPPLY

In a series of articles recently published in Cotton and Finance, dealing with the subject of the gold-production and its effect upon the prices of bonds, stocks, and commodities, Theodore H. Price reaches a conclusion which, if it can be established, is of vital moment to every owner of property in the United States, whether that property be bonds, insurance policies, stocks, or real estate. Briefly stated, this conclusion is that the increasing production of gold is responsible for the great rise of prices which has been the characteristic feature of the last decade; that this increased production of gold will continue indefinitely, and that the world is facing an economic crisis arising out of the certainty of a persistent depreciation in its standard of value.

This subject has been much discussed in recent years, as the steady rise of prices has brought home to every class in the community the importance of the problem presented. The fact of the advance of prices is well established. In 1896 Bradstreet's compilation of the wholesale prices of 106 commodities, including all the leading commodities of commerce, was 59,124; in 1900 this figure had risen to 78,839; in 1905, to 80,987; and in 1912, to 90,362. Specimen increases in particular commodities are even more striking. For example, during this period of seventeen years the price of wheat rose from 64 cents to \$1.22; the price of corn, from 33 cents to 86 cents; the price of beef cattle, from 4.6 cents to 9 cents; eggs, from 12 cents to 20 cents; raw cotton, from 7 cents to 11 cents; anthracite coal, from \$4.25 to \$5.50; and so on, with hardly an exception throughout the entire list. This rise of prices mainly is responsible for the high cost of living. The advance of prices is lessening the purchase price of gold over the necessities of life. On the other hand, because of the rapid multiplication of companies and the numerous safeguards which experience and information are teaching the bankers to throw about the stocks and bonds which they offer for sale, the competition of corporations for the money of the investor is growing constantly sharper, and is forcing down the prices of all securities which carry a fixed income, and which have no prospect of sharing in increasing profits. The investment fund, it is true, steadily is increasing, but since the purchasing power of 4 per cent or 5 per cent investment income is declining so rapidly, while at the same time the number of securities offering the rates of interest is increasing, the natural result is that the investor discriminates against so-called "gilt-edge" bonds. While this depreciation in the price of bonds apparently is an advantage to investors making new purchases, it is threatening heavy losses to the owners of investments already in existence.—Edward Sherwood Meade, Ph. D., in January Lippincott's.

M. RUMELY STOCK TO BE LISTED

The M. Rumely company has applied to the New York stock exchange to list \$2,823,000 additional common stock.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

That there always is something doing in the lives of North Dakota bankers is shown by a newspaper statement of recent improvement in the facilities of a bank at Streeter, Stutsman county, under the head: "First State Bank Adds Man and Apparatus." Read:

"That the First State Bank is a growing institution again has been demonstrated by the necessity of adding another man to the force. The new member is Henry Buttweiler, a young man of Freeport, Minn., who entered upon his duties as bookkeeper Saturday morning. Their latest acquisition, however, in the line of apparatus, is an Edison Dictaphone which enables the chief to give orders to his subordinates even when they are not around. A machine for shaving the records also was purchased and enables them to use one record 120 times. They have received the blue prints for the lighting system of their building and the electric lights soon will be installed. Much of the success of this bank is due to their able cashier, Geo. H. Rieland, who is a hustler and stands for square and honest dealings. He has two able assistants in Rudolph J. Hoeschen and W. E. Barringer."

South Dakota Convention

The annual convention of the South Dakota Bankers Association is to be held June 25th-26th at Watertown. Decision was reached at a meeting of the executive council last week at the Royal hotel in Huron. The council passed a strong resolution favoring the "Blue Sky" corporation law and urging the bankers to aid in obtaining the passage of such a bill at the coming session of the legislature. Another resolution favored good roads legislation, increased appropriation for farmers' institutes and for promulgation of better farming methods. A review of the financial situation indicated that the state is in good shape. At the meeting were: M. P. Beebe, E. F. Waite, William Ontjes, C. A. Russell, W. S. Ayers,

President F. C. Danforth and Secretary J. E. Platt.

"Blue Sky" Law for Minnesota

A proposed "Blue Sky" law to regulate sale of stocks and bonds in the state, and to prevent fraud by the sale of worthless securities, has been drawn in the office of the secretary of state of Minnesota, and will be introduced in the legislature next month by Representative C. T. Knapp. The law creates a corporation commission, consisting of the secretary of state, attorney-general and superintendent of banks. Any corporation, before its stock is placed on sale in the state, must file a complete statement of its condition, and this will be subject to approval by the commission.

Rapid Rise of Newsboy

J. Louis Kohn, who has been made vice-president and treasurer of the Liberty Trust and Savings Bank, Chicago, is a former Minneapolis newsboy and messenger. He graduated from the South High School and the University of Minnesota, and later from the law school of the Chicago University. His parents live in Minneapolis. While he was attending school Mr. Kohn was working in the employ of the Union Investment Company, Minneapolis. Later he went with a land company at Fargo, and then into the employ of Sears, Roebuck & Co., Chicago. He was connected with the banking business at Madison and Halsted streets, until the new bank was formed by the same interests.

Banker To Be Appraiser

J. P. Cooper, vice-president of the State Bank of Redwood Falls, Minn., has been called upon by the Northwestern Life Insurance Company to act as one of three auditors in appraising \$300,000,000 of insurance business, including \$100,500,000 in first mortgages. He has gone to Milwaukee to begin work.

Convicted Defaulter in Prison

Harry W. Parker, the convicted Winnebago

City banker, has a place in the state prison that is decidedly exclusive even for a prison. He has charge of the accounting system of the commissary department with a desk in the store room in the basement of the executive building. Visitors are not shown through those quarters and there are but two other convicts in the rooms.

No Apprehension as to Tariff

Accompanied by L. L. McClelland of Pittsburgh and A. B. McCaughey, Chicago, President W. S. Kuhn of the Second National of Pittsburgh, and of J. S. and W. S. Kuhn, has visited the Twin Cities. Mr. Kuhn said: "I have not been in Minneapolis for some time, but there is some little talk here of the new administration and the probability of tariff changes and hesitation. Pittsburgh is the country's greatest center of interest in the tariff, for obvious reasons. If there is a city where business men would have reason to fear a prolonged tariff debate in congress, it is Pittsburgh. Yet nobody there has any nervousness over it and everyone expects the present great business that Pittsburgh is doing to extend throughout 1913."

Mr. Kuhn is interested in irrigation development in southern Idaho and the firm of J. S. and W. S. Kuhn controls sixty-five water-power companies in various parts of the United States.

Increase Capital Stock

Conditions in St. Paul industrially are indicated by an increase in the capital of two manufacturing companies. The Hackney Manufacturing Company took on an increase of from \$600,000 to \$1,000,000 and Charles A. Stickney & Co., from \$600,000 to \$1,200,000.

Re-elected Director

F. E. Kenaston, president of the South Side State Bank, has been re-elected a member of the board of directors of the Union Bank of Canada, at the annual meeting in Winnipeg.

He had served since before the headquarters were moved from Quebec.

State Banks Report

The largest volume on record was reported by 767 banks in Minnesota under state supervision, at the last call by Kelsey S. Chase, superintendent, a total of \$150,957,984.66. The gain over a year ago in capital is \$707,000; in surplus, \$526,131; time certificates, \$5,299,711; deposits subject to check, \$5,180,048 and savings deposits, \$2,857,186. The increase in loans and discounts is \$13,612,137. The total loans and discounts are \$116,720,009, capital \$14,791,000, deposits \$39,804,118 and savings \$7,527,384.

Northwestern National Bank Review

How a Minneapolis retail establishment with 6,000 installment accounts went through 1912 with a bad-debt loss of only .97 of 1 per cent is told in the Northwestern National Bank's December business summary. The normal bad-debt loss is said to be 2 per cent.

"The year is drawing to its close, marked by prosperity which is justification of the spirit of optimism that began to be felt early in 1911, after a period of more or less industrial inactivity and uncertainty," the review says.

It then notes developments for the year, each of great importance to Minneapolis. They are: Freedom of the money market from sudden fluctuation.

Continued spread of scientific methods in agriculture.

Big increase in Twin City bank clearings.

Confidence in industrial Minneapolis shown by prompt sales of new stock issues.

Active retail trade.

Good collections.

Fall weather that favored trade and prevented car shortage and fuel scarcity.

Sells Interest in Thief River Falls Bank

Controlling interest in the First State of Thief River Falls, Minn., has been sold by President C. L. Debner, to local capitalists, including A. M. Arpin and Frank Weiland of the Northwestern Drainage Company; and George Johnson, cashier of the Grygla State Bank. Mr. Debner started the bank twenty years ago when there was only one other financial institution between Crookston and the Canadian border. Capital of the bank is to be increased.

Opposes Sale of Bonds

Sale of the Virginia state bonds held by Minnesota for reinvestment for local land development was opposed by the auditor, S. G. Iverson, in a recent address at Bemidji, the center of a big development association which recently went on record for the sale of the securities. Mr. Iverson said that the state has applications for about \$400,000 in loans which it cannot meet until June. The funds come from state royalty on ores, timber and land sales, repayment of former loans, etc. Next year the state will receive between \$600,000 and \$700,000, paid on matured loans, \$350,000 from the matured bonds of Tennessee and the sales and royalties, and in 1914 \$225,000 Louisiana bonds will mature. In three years the state will be looking for investments. The state has about \$14,000,000 loaned out.

Minnesota Notes

The Farmers State of Farada, Minn., is capitalized at \$10,000. The first board of directors is F. C. Meade, Tom Hyeda, Henry Dau, J. H. Cooley, Henry Daniels, John Lorenz, J. F. Krohn, William Toedter and T. R. Dummert.

Five bonding companies submitted identical bids for bonds on county officials at Minneapolis: \$800 for the big bond of \$300,000, subject to 10 per cent discount for two years, and \$125 for the sinking fund surety of \$50,000

with the same discount. Lots were cast and the first went to the National Surety Company, and the second to the Illinois Surety Company.

Virginia, Minn., has voted \$450,000 bonds to buy the Virginia Electric Power & Water Company, to which sum will be added \$100,000 tax levy. The city is expected to take the plant over April 1.

E. C. Warner, director in the Security National, and F. E. Kenaston, president of the South Side State bank, are among the bankers of a \$5,000,000 Minneapolis company incorporated in Delaware, for a general financing business. The charter allows almost any kind of financing business.

Dakota Notes

A new bank is to be founded at Zell, S. D., to take the place of the Bank of Zell, recently wrecked by the defalcation of the cashier. It is to be founded by Jacob Siberg and J. B. Till of Mitchell, S. D., and W. P. Craig of Tulare. The bank will be opened in a few weeks.

The First State of Manvel, N. D., has been organized with N. J. Nelson as president, E. G. Bonlie as vice-president and D. A. Nelson as cashier.

K. B. Wylie has been succeeded as cashier of the Citizens State, Streeter, N. D., by C. W. Spalding, Jr.

The Northern State of Grand Forks, N. D., has increased its stock from \$50,000 to \$100,000.

The Commercial State of Plankinton, N. D., and the Farmers and Merchants State, have consolidated as the Farmers and Merchants State. The capital has been increased from \$10,000 to \$25,000. Arthur Harris is president, J. E. Morris is cashier, and Robert McIntosh and P. F. Nolan are assistants.

Mandan banks have deposits aggregating about 500 per cent greater than the average for North Dakota banks, on the showing made by the last statements. The average deposits for a North Dakota bank is \$102,036.26, with 717 banks in operation, while the three Mandan banks have a total of \$1,542,013.38. The increase in deposits for local banks this year has also exceeded by 200 per cent the average for all banks.

The first annual report of the North Dakota tax commission is to the effect that there is \$1,500,000,000 taxable property in the state, which is assessed in 1912 at \$294,770,370. The commissioners believe that property is being assessed at from 15 to 20 per cent of its value.

The last census gives the mortgage indebtedness on farms owned by actual operators at \$47,841,587. It is a well known fact, points out the commission, that the mortgages in North Dakota are greatly in excess of those on lands actually owned by the operator. The bank deposits in September, 1912, aggregated \$70,302,584.

SAYS CORRESPONDENT WAS MIS-INFORMED

EDITOR THE CHICAGO BANKER: We wish to call your attention to the article on page 22 of December 14th, under the heading, "Farmers Banks in Washington." The writer must be poking fun at us, or else he has relied on hearsay and not referred to statistics.

The comptroller's report for 1911 gives the capital of the national banks in Whitman County, seven in all, \$415,000; the report of the state examiner for state banks, for 1911, twenty-five in all, \$726,250; total \$1,141,250. Your article states it \$12,000,000. Your article states the smallest capital is \$200,000, when the truth of the matter is there is only one

bank in the county with a capital of \$200,000, and only two others whose capital is above \$50,000. All others are \$50,000 and under.

Your article states that deposits amount to more than \$35,000,000. The reports for 1911 of the comptroller and state examiner gives deposits in national banks \$1,554,607 and in state banks \$2,301,091.14. Total \$3,855,098.14.

The other part of the article is just as far from the truth as the figures show on deposits and capital.

Yours respectfully,

G. W. NYE,

Cashier Garfield National, Garfield, Wash.

PRAISES TAFT'S WORK FOR AGRICULTURAL CREDIT BANKS

Washington, December 23d.—Myron T. Herrick, the American ambassador of France, who is here to agitate the establishment of agricultural credit banks as a means to bring cheap and abundant capital to farmers for the further development of their lands, has made public the following letter which he has received from David Lubin, American delegate to the International Institute of Agriculture at Rome, Italy, praising President Taft's efforts to bring financial assistance to the American farmers:

"President Taft and yourself have spoken, and spoken down the ages of history. Our time, in its contemporary activities, is filled to overflowing with important events; important in the domain of the concrete and the abstract, of the sacred and the secular, of conservation and progress; but when distance of time shall have intervened and the brilliancy of many of these events shall have dimmed, the movement set going in the United States by the letter of President Taft and by your report shall stand and shine forth from among these, undimmed by time and unobscured by events to come.

"Why? Because you have by this act set in motion a current in political history which shall at last render popular government stable.

"You and I know that popular government is not a new experiment. We know that republics were, but that they faded away and perished.

"Why? Because the coalesced progressive forces of the cities devoured the uncoalesced conservative forces of the country. And do we not know that if we were to conserve the Republic we must conserve the conservative of the Republic, the farmer?

"To President Taft and to yourself belongs the honor of not alone knowing this cardinal truth, but of harnessing the proper means toward this end; of shaping the course of the Ship of State along the path which she should ever travel; when the state shall no longer swing to and fro, from progress to reaction, like a pendulum, but move in a well-defined evolutionary orbit.

"And thus the movement you have set going will tend to promote an 'experiment' into an enduring Republic—a Republic not merely of value to its own citizens but likewise of value, through its influence, to all the world.

"If this statement of the case seems too bold it is because we are living too close to the initiative; time will rectify that.

"God speed you in your great endeavor.

"Sincerely, DAVID LUBIN."

ASK "BLUE SKY" LEGISLATION

State Superintendent of Banks Baxter, of Ohio, has fallen in line with the Ohio Bankers Association in the demand for "Blue Sky" legislation by the state legislature this winter. He has made a strong plea for legislation of this character in his annual report.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

All previous records for the planting of winter wheat in Washington have been broken this fall, according to figures just received from the crop statistical report of the department of agriculture. The total acreage devoted to winter wheat on December 1st, was 1,138,000, as against 1,035,000 in 1911. The condition December 1st was given as 100 per cent, the best record ever known in the state, as against 91 per cent for last year, with a past-10-year average of 92 per cent.

The same winter wheat acreage is reported for Idaho this year as in 1911, when it was 348,000. Oregon has 570,000 acres in winter wheat, as against 640,000 a year ago. Its condition is 97, as against 98 last year. Montana planted 557,000 acres this year; last year, 493,000. Condition, 1912, 91; 1911, 86.

A spirit of optimism regarding present conditions in the Pacific Northwest and faith in a still more prosperous future on the part of northwestern bankers is the report of J. L. Williams, in charge of out-of-town business of the Irving National Bank of New York, who is just completing a four months' business trip through the Northwest in the interests of his bank. "In the entire West I have not discovered one pessimist nor heard one pessimistic idea expressed by any of the bankers," said Mr. Williams, adding: "All the western bankers are optimists, and they have great faith in the country and look to next year to be one of the best in the history of the country. Their optimism is borne out everywhere by the wonderful crops, good prices, the abundance of money and business conditions generally."

Mr. Williams left New York August 11th, since which time he has visited Chicago, Denver, Omaha, St. Louis and all the principal cities of Arizona, California, Oregon and Washington. His bank handles the apple crop of Watsonville, Cal., and much of the Hood River product, and his visit to Washington was made in the hope of securing for the bank some of the apple crop of the big Washington districts. Mr. Williams sees a large eastern market for the Washington product, and one as yet but little developed.

D. S. Culver, president of the merged National German and the Merchants National Bank of St. Paul, journeyed from the Minnesota capital to Spokane to view the magnificent 14-story home of the Old National Bank.

"The Old National is quite as famous in my part of the country as it is at home," said Mr. Culver. "I had heard much of it, and when we decided to build, I could think of no way to learn more than by seeing it. I was much pleased with the main banking room, where is combined to a high degree all that is best in art and facility. The banking equipment, too, strongly attracted me."

Mr. Culver explained that it is the purpose of the directors of his bank to proceed along the same line in providing funds for erection of the building as was done here. A separate company will be formed and stock sold to those interested in the bank. The height

of the building and the amount to be expended on it have not been determined.

Reports have been received in Prosser, Wash., that the Northern Pacific Railway Company will finance and build the high line ditch, an irrigation project that will water 200,000 acres of land in Yakima and Benton counties. For several years leading men of these two counties have been endeavoring to bring about the construction of this vast project. Of this 200,000 acres, the Northern Pacific owns 70,000. It has an elevation of 400 feet above the Sunnyside canal, and in some places there will be pump lifts above this elevation 150 to 250 feet. Water is secured from the government by the Northern Pacific at a cost of \$15 an acre. The government has completed one of the big reservoirs at Lake Keechelus for the storage of water to be used in the canal, and another reservoir will be started in the spring, above Lake Keechelus. It is said that estimates for building the canal will be in the hands of Northern Pacific officials by March 1st, after which contracts for the work will be awarded and that actual construction will begin April 1st. It is estimated the ditch will be completed within two years after beginning the work.

Nine members of the Spokane Chapter of the American Institute of Banking tendered an informal banquet to T. H. Keown, acting accountant of the Bank of Montreal, on the occasion of his removal to Merritt, B. C., to become accountant at that branch. Mr. Keown has been connected with the Spokane branch for six years, coming here from Toronto, Canada. He has been a member of the executive council of the local A. I. B. chapter for two years. A number of banks were represented at the banquet, those present including W. N. Baker, Northwest Loan and Trust; J. W. Bradley and W. E. Tollenaar, Old National; E. R. Anderson and C. E. Cooper, Fidelity National; B. A. Russell, Washington Trust, and George C. Gage, Exchange National.

Big Apple Selling Plan Ready

The permanent incorporation committee named by the apple growers' conference has

completed its work of preparing articles of incorporation and has decided that the big central organization be called the North Pacific Fruit Distributors, with its head office in Spokane at 907 Paulsen building, and controlled by nine trustees representing one each of nine northwestern apple districts described in the articles of incorporation which have been filed with the secretary of state for Washington. As soon as incorporation is completed the articles will be printed in pamphlet form and distributed to every growers' association in Washington, Oregon, Montana and Idaho. It will then be optional with the individual associations whether they ally themselves with the central organization. The association will be a mutual corporation controlled by the nine trustees and incorporated under the laws of Washington under the non-profit making law.

W. T. Clark of Wenatchee President

The permanent officers elected, who by virtue of a state law can hold office only six months, are as follows: W. T. Clark, Wenatchee, president, who is president of the First National at Wenatchee; J. H. Robbins, North Yakima, vice-president; H. C. Sampson, Spokane, secretary; H. F. Davidson, Hood River, treasurer; N. C. Richards, North Yakima, general counsel. The other members of the permanent committee who now become trustees of the corporation for six months are: Henry Huber, Walla Walla; W. M. Sackett, Bitter Root; P. J. Neff, western Oregon; W. N. Yost, southern Idaho, and W. S. Thornber, the Lewiston-Clarkston district. The Northwest is divided into nine districts and each must have its representative on the board of trustees. The date of the first annual meeting has been fixed for the third Monday in May. At this meeting the trustees elected will draw lots as to the length of their tenure of office, three to serve three years, three two years and three one year. After the first election the trustees will serve a three-year term.

General Purpose of the Corporation

"The general purpose of the corporation will be to provide for the marketing and distributing of the fruit of the Northwest," said N. C. Richards, general counsel-elect. "The articles give the corporation power to employ agencies to that end and construct the necessary property to market and distribute fruit, and generally to construct the machinery to represent the growers and eliminate waste. The corporation will handle the fruit of its members, either as individuals or organizations." The board of trustees will meet in North Yakima, January 3d, to further evolve plans.

EDMONTON NEWS

Edmonton will market municipal bonds to the extent of \$1,238,000 in Canada in 1913. D. R. Wilkie, general manager of the Imperial Bank, acting as the city's agent. The interest rate has been raised to 5 per cent, an increase



THE OLD NATIONAL BANK of Spokane

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W. J. KOMMERS J. A. YEOMANS W. J. SMITHSON
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Easy access, through a pleasing medium, invariably brings closer relations between two factors—and that's why the great, friendly business relations between New York and Chicago have so wonderfully developed in the past decade. The

Twentieth Century Limited

carrying all-steel cars, and affording every comfort, makes the journey overnight via the "Water-Level Route" of the

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Leaves Chicago

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of from one-half to one per cent over the rate paid in 1912. Elections to vote on the money by-laws will take place in February, and it is expected the debentures will be placed on the market in April. Under the head of debentures authorized but not yet sold, may be cited the following at 4½ per cent:

Isolation hospital, \$100,253.34; site for civic office building, \$76,406.67; cost of construction of this building, \$225,000; park lands, purchased from the school board, \$26,000; golf links, \$310,000; police building, \$75,000; land for central telephone department, \$50,000; Alberta College property, \$60,000. At 5 per cent: Car barn site, \$50,000; bridging Forty-second Street, \$25,000; land for phone substations, \$22,000; land for parks and driveways, \$150,000; warehouse site, \$66,000.

To the foregoing will be added \$750,000, the amount provided for in by-laws but not yet referred to the rate-payers for endorsement. This will bring the total to \$2,083,000.

The various estimates for civic improvements brought down to date involve a total expenditure of nearly \$7,000,000 during the fiscal year which began November 1, 1912, as follows:

Paving, \$1,500,000; street railway, \$1,500,000; sewer work, \$1,250,000; sidewalks and grading, \$300,000; power department, \$430,000; telephone department, \$900,000; water works, \$300,000; electric light department, \$250,000. In addition, the commissioners are planning to install a gas distributing system and a central public market, also build a bridge over the Saskatchewan river at Fifth Street and expend \$80,000 in the department of health.

Edmonton led all the cities in Canada in the percentages of increase in bank clearings and building permits issued in November.

The former showed a gain of 71 per cent over November, 1911, while the amount involved in building operations was 475 per cent larger than for the eleventh month in 1911. The bank clearings for the first eleven months in 1912 totaled \$199,078,413, an increase of 85 per cent over 1911. Building permits issued during the eleven months of 1912 mean the expenditure of \$13,850,422, a gain of 237 per cent over the same period in 1911. A. O. Whitmore, secretary of the Edmonton Builders Exchange, says there is every indication that the building season of 1913 will be even better.

San Francisco

Officers and members of the executive council of the California Bankers Association held their regular semi-annual meeting recently in the Savings Union Bank building. The protective department reported that since the annual meeting in May it had co-operated with agents of the American Bankers Association in an investigation of forty-eight cases, which included thirty-five forgery cases, one robbery and twelve cases of swindling in which fictitious checks and telegrams played a part. Forty-seven banks were defrauded, sustaining losses aggregating \$8,000; twenty-three persons were arrested, of whom eight have been convicted and sentenced, three placed on probation, ten await trial and two were dismissed. The legislative committee will co-operate with the state superintendent of banks at the coming session of the legislature to secure several needed amendments to the state banking act. The bankers association will advocate the passage of the uniform negotiable instruments act, bills of lading bill, false statement for credit bill, and the Kansas "Blue Sky" law.

The next general convention of the association will be held at San Diego on May 22d to 24th, the executive council having accepted on behalf of the association, the invitation by the San Diego bankers.

The directorate of the Los Angeles Hibernian Savings Bank has increased the capital stock \$125,000. The present capital is \$250,000, and with the increase the capital stock and surplus will be brought up to more than \$400,000. Joseph D. Radford, vice-president, states that the policy of paying 5 per cent per annum on sums from \$1 up to \$5,000 has met with success, and that deposits have increased over \$1,000,000 during the past year.

George W. Kramer has been elected assistant cashier of the Sacramento Bank as his reward for twenty-six years service. Other officers of the bank are Phillip Scheld, president; W. M. Bowers, vice-president; James M. Henderson, Jr., cashier; Frank H. Conn, assistant cashier.

Henry Lawrence, pioneer president of the Tomales (Cal.) Bank and Trust Co., has resigned, his place being filled by the election of David Burbank of Petaluma to the presidency. Wm. Bassett, a director, was made vice-president.

COURT MAKES IMPORTANT BANK RULING

The supreme court of Idaho holds that the receiver of the defunct State Bank of Commerce of Wallace, Idaho, of which B. F. O'Neil, recently tried on a criminal charge, was president, is the proper person to bring suit against the directors of the banking house to recover the funds lost by depositors, and not the depositors. The ruling was made in an opinion on appealed case of Edward McTannany vs. E. R. Day et al., directors of the bank.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

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SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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BUSINESS AND OFFER
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Iowa Banking News

By W. C. JARNAGIN

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DES MOINES, IOWA

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Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
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The Cedar Rapids National Bank

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35 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, December 26th.—Twenty-one bankers attended the meetings of the executive council, the taxation committee and the legislative committee of the Iowa Bankers Association held in the offices of Secretary P. W. Hall in this city last week. Charles Hannan of Council Bluffs, treasurer, was the only member of the executive council who did not attend. Two members of the taxation committee were not present. Much important business was transacted and much constructive work planned.

Special interest attaches to the report of the legislative and taxation committees. However, it was thought best not to make public the recommendations of the legislative committee. The object is obvious—the members do not wish to place the Iowa Bankers Association in the attitude of working for any legislation. However, the various bills which will be favored will be introduced through the various members of the legislature. One bill that will be recommended will be the placing of more drastic punishment for bank robbers on the statute books of the state. The bankers want the maximum penalty for bank robbery by use of explosives fixed at forty years, with a minimum of fifteen. For bank burglary with tools and without the use of explosives the maximum desired is to be fifteen years. Similar laws in other states are of value in deterring would-be bank robbers.

The taxation committee did not make any recommendations but explained the report of the tax commission. The recommendations of this commission, if carried out will be satisfactory to the bankers. The commission favors, in brief, the taxation of all property on the basis of 100 cents on the dollar. In the case of banks the capital stock is to be taxed on this rate against the shareholders with no deductions for debts. The surplus and undivided profits shall be taxed as are moneys and credits at the flat rate of five mills on the dollar. If these recommendations are carried out, the present discriminatory methods will be done away with and the rates so reduced as to make the amounts paid equitable to all. In addition, a permanent tax commission is favored and the office of the county assessor will be created.

The council of administration voted to employ Attorney James S. Parsons of Des Moines to act as council for the association. Mr. Parsons came to Des Moines from Rock Rapids, the home of President Shade. He is a lawyer of ability.

The question of bank insurance was taken up and discussed at length. It was explained that various casualty companies which are seeking to get the business away from Secretary Hall, who turns commissions into the protective fund, are cutting rates. The council passed a motion that the president, vice-president and secretary act as a committee to secure lower rates from the company represented by Secretary Hall so that the latter can

The First National Bank

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is prepared to serve banks in Iowa
and Western Illinois along broad,
liberal and satisfactory lines.

CORRESPONDENCE INVITED

Resources - - \$3,000,000.00

L. J. YAGGY, Cashier A. F. DAWSON, President

compete with those who are trying to break the contracts now prevailing.

An attempt was made to organize a mutual bank burglary association. The plan contemplates an assessment among all of the banks sufficient to cover the losses incurred by bank robberies. However the motion was lost by an overwhelming vote.

The question also was raised as to whether casualty companies are permitted under the Iowa laws to offer rebates. Secretary Hall had been of the opinion that such could not be done but recently the state insurance commissioner notified a Des Moines casualty company that the Iowa laws do not prohibit rebating or rate cutting so far as casualty business is concerned. This has changed the entire aspect of the case although Secretary Hall is outspoken in his statements that he does not intend to resort to rebating.

It was voted to ask the Des Moines Clearing House Association to arrange it so that one day of the state convention next June shall be given over to an inspection of Ames Agricultural College. In this way, the bankers will be given a splendid incentive to make improved farming methods an active object for constructive work the following year.

Secretary Hall has Trophy

Secretary Hall has suspended in his office a gun which was found near the scene of the Goldfield bank robbery. The weapon had one shell in the chamber when found, while other shells were found along the route of the team, which had run away with the robbers in their hasty escape. One end of the gun barrel has been sawed off so as to make the article fit into a suit case. It is so constructed that the charge would scatter and at a close range would prove a most effective weapon. Bloodhounds were placed on the trail of the Goldfield robbers but no arrests were made.

Alleged Swindler Busy

Howard Lewis, who boasts several aliases, has been heard from in Missouri. Lewis now has floated about seventy-five checks and each is worth \$14.70. The checks are drawn on Des Moines banks but Lewis has been securing the money on them through merchants. His plan is to buy a small article and pay for it with a

F. A. Goodhue has resigned as president of the Brookline (Mass.) Trust Company and has been succeeded by Ernest B. Dane of that place.

Frank P. Scott, formerly of Hopkinsville, Ky., has been appointed as successor to Lawrence W. Manning, resigned, as secretary to John W. Barr, Jr., president of the Fidelity and Columbia Trust Company of Louisville.

check for \$14.70, pocketing the change. To allay suspicion, he leaves the article to be called for later. Of course he never comes back. The banks have thus far lost nothing but the merchants are beginning to get suspicious.

Gives Views on Good Roads Legislation

Dennis P. Hogan, president of the Farmers Savings at Massena, was one of the many bankers who attended the state good roads conference in Des Moines last week. Mr. Hogan, while in the city, outlined his ideas of what should constitute good road legislation in the coming general assembly. He was a legislator last term but was defeated this year. He believes that first in importance is a state good road commission which should include several expert engineers. This commission should establish in each county a sub-system by which the board of supervisors should name a county road supervisor, who in turn should work under the direction of the state commission. The roads in Iowa are built and improved too much upon the hit and miss plan at present, says Mr. Hogan, and experience of other states shows that well-defined and systematic efforts are necessary to success.

Money Situation

Financial conditions in Iowa have tightened up somewhat during the closing days of the year. There is a big demand for money, especially in the farming communities where farmers are holding their crops for higher prices and using their money in the bank for practical purposes. Then again the Balkan war, which has had an effect in the East, also has affected the Middle West, as conditions in the East are reflected in this territory. Money just now is considered closer in Iowa than at this time last year but no apprehension whatever is felt as to continued prosperity.

J. N. Dolley to Address Bankers Club

The Bankers Club of Des Moines announces that J. N. Dolley, state bank examiner for Kansas will speak on the "Blue Sky" law of that state January second. It was intended that he should speak at the December meeting but it later was thought best to postpone. Interest in the "Blue Sky" law is becoming intense throughout the state. It fully is apparent that the legislature will be asked to pass such an act and it seems certain that the enactment will go through. Senator Fred Larabee, one of the senate floor leaders, announced at his home at Fort Dodge last week that he is for such a measure and will support it in the legislature.

City to Pay Costs

The Des Moines city council finally has ordered the costs which accrued in the Home Savings Bank case paid out of the city treasury. The amount is only \$158.80, but the case is interesting because it is the echo of one of the bank assessment fights which have been many and numerous in Des Moines and which the banks almost invariably have won. The city won the case growing out of bank assessments in 1906 in the district courts. When the case was appealed to the state supreme court, the city won again. But when the United States supreme court got hold of it, the bank won. The city was ordered to pay the costs, but, upon the claim that the city is not liable for actions arising through the board of review, withheld the money. The bank then started suit and finally the council decided that the easiest way is to pay up.

Iowa Notes

W. C. Logan celebrated the thirtieth anniversary of his connection with the Leavitt and Johnson banking interests at Waterloo December 18th. It was in 1882 that Mr.

Logan began his employment with the firm as bookkeeper. Gradually he worked upward until he became director for the Leavitt and Johnson Trust Company, and cashier of the Waterloo Savings. He was one of the organizers of the latter concern ten years ago.

The Council Bluffs banks have issued statements which show that the banks in the city have resources which total \$282 for each man, woman and child residing there. If the amount were divided among the residents of Iowa the per capital amount would be \$3.72. The statements show the resources combined to be \$8,281,604.92. The total deposits in the institutions there are \$6,719,414. Postal savings deposits allotted to the various banks amount to \$19,436 as against \$12,175.82 in June.

The Des Moines school board has decided to ask the people to vote a bond issue of \$400,000. Of this amount, \$200,000 is to go for an addition to the West Des Moines high school. The remainder goes for improvements in the various ward buildings of the city. However, North Des Moines residents likewise are asking for an addition to the building and it is probable that before the school election rolls around in March the amount to be asked will be much larger than the \$400,000 authorized.

B. W. McElhinney, the Goldfield banker whose bank was robbed of over \$4,000 recently, believes that he is the original victim of hard luck. The same week his bank was robbed he was called into court as defendant in a damage suit brought by relatives of a girl, who allege that he ran over her in his automobile last fall, causing her death.

J. P. O'Malley, president of the Peoples National at Perry and one of the leading democrats of Iowa, has retained Des Moines architects to draw up plans for a handsome new bank building.

The Coon Rapids National has decided to liquidate, according to reports which have reached Des Moines. There are three banks in Coon Rapids and it has been learned that this is too many. The bank will continue to settle up its business, pay depositors, etc., until the first of the year and by that time it is figured that the business will be cleaned up.

Mrs. Homer Miller, wife of the president of the Iowa National, led a score of Des Moines women who swooped down upon the good roads conference last week and secured the adoption of a resolution favoring woman's suffrage.

Sioux City

The Bear Butte Valley bank has purchased the fixtures and building of the now defunct Meade County bank and will succeed it in business at Sturgis, S. D. In the purchase price of \$9,000 are included two small buildings adjoining. The new bank will soon open. The court order of sale paves the way for winding up the affairs of the old institution.

The death of Miss Susanna Weare, of Sioux City, takes from Iowa the notable daughter of a notable banker, George Weare, one of the pioneer bankers of Iowa. Her brother, Henry G. Weare, is a vice-president of the First National Bank.

W. J. Reed, one of the best known bankers of northwestern Iowa, a pioneer and a leader in business circles of Ida Grove for 30 years, has disposed of all his holdings in Iowa and will make his residence hereafter in Los Angeles, where his family already is established. Mr. Reed conducted a banking business under the name of Baxter, Reed & Co., his associate being Jas. R. Baxter.

FIRST WOMAN TO TAKE EXAMINATION

Topeka, Kansas, December 22, 1912.—Miss Josie McCormack, of Moran, Kansas, is the first woman in the United States to take an examination for bank cashier. For three days she has been at work in the office of State Bank Commissioner J. N. Dolley working out answers to the financial questions before her. She has completed the examination and made an excellent showing.

January 1st she will become cashier of the Moran State Bank. That was the object in taking the examination. She has been employed in the bank for two and one-half years as a bookkeeper. Recently she applied to the banking department for text books and a course of study. They were sent to her and she went through them thoroughly, then came to Topeka to take the examination.

Many men have taken these examinations and many of them have failed. If a prospective banker takes the examination and receives a grade of less than seventy, he is sent back home. He has an opportunity to take another examination ten days later. If he fails on that one, he goes home and waits six months. Seventy is the minimum. Miss McCormack did not have to worry about the minimum.

Kansas is the only state in the Union where persons who intend to become bank cashiers are required to pass an examination. That is one of the reforms installed by State Bank Commissioner Dolley. He has been requiring the examination for two years or more and has brought up the standard of bank cashiers in Kansas. They must have the necessary qualifications now if they get the jobs.

Miss McCormack was the first woman to apply and she made equally as good a showing as the average man who takes the examination.

"I am always glad to see women take a place in a bank," said Mr. Dolley. "We have a large number of women in the state banks of Kansas and they are among the best bank workers we have. They are honest, reliable and are hard workers. They are mighty careful about making a loan. They take fewer chances than men. There are thousands of women employed in banks all over the United States and not a single one has ever been charged with defalcations. No woman banker has ever gone from the bank to the penitentiary. They make clear-headed and honest bankers and we need them in the business in Kansas."

STANDARDIZING THE DOLLAR

Prof. Irving Fisher of Yale University will today (Saturday) before the American Economic Association at Boston, make public in detail his plan for "Standardizing the Dollar." Dean David Kinley of the University of Illinois, has said of Dr. Fisher's plan:

"So far as concerns your specific proposal to keep the average purchasing power of gold stable, I do not see any logical flaw in it.

"The desirability of fixing the price level, however, is very different, in my judgment, according as the changes originate in the one source (gold) or the other (goods). For that reason the simple fact that a plan like your own brilliantly conceived, logically worked out scheme, will accomplish the purpose of steadying the average purchasing power of gold is not enough, in my judgment, to commend it for adoption.

"Since I agree with you in the belief that a plan like the one you suggest is theoretically correct, I have but little objection to make to your specific plan, although, after all, it seems to me to be but an indirect method of applying the tabular standard, against which there is, in my judgment, much to be said."

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

RICHMOND CHAPTER NEWS

By J. S. HAW, SECRETARY

At a recent meeting of the Board of Governors of Richmond Chapter, Aubin K. Parker, president, handed in his resignation. The amount of extra work incident to the taking over of another bank by the institution with which he is connected made it impossible for Mr. Parker to devote the necessary time to the office, and it was with regret that the Board accepted his resignation. Thus it was that our chapter was late in beginning its operations for the season of 1912-13. We were fortunate, however, in filling the vacancy, to select a man who is thoroughly capable of piloting the chapter's affairs to a successful conclusion when the season closes next spring. We refer to Henry G. Proctor whom the chapter delights to honor for he has been one of the old standbys and always has had the interest of the chapter at heart whether he was connected with it officially or not.

With such a capable man at the helm and several thoroughly live committees at work, although late beginning, the success of the year's work seems assured. At present we are without permanent quarters, having had to vacate the rooms formerly occupied over the National State & City Bank, that institution having to use them.

Our first meeting was held on Nov. 12th in the magnificent new ballroom of the Richmond Hotel. We were delighted to have with us Harry V. Haynes of Washington, vice-president of the Institute, who spoke on "The Institute." Among other things Mr. Haynes pointed out the fact that the various chapters are putting the social side of chapter life more in the background, and are featuring the educational side. This is the ideal toward which all of those who have the interest of the Institute at heart are working. Mr. Haynes pointed out as a notable example the case of the New York Chapter where there are five nights a week devoted to study classes.

The other speaker was Wm. T. Dabney, better known as "Booster Bill," who makes it his business to tell people what they are missing by not being in Richmond. He told us something about the Salt Lake City convention and succeeded in working up enthusiasm for the big convention when it meets here in 1913. He also took occasion to give the young fellows some sound advice as to how to succeed in business whether it was banking or not, for the principles he laid down were applicable, he said, to any business.

Although it will be some time before the 1913 convention, we already have appointed our general committee, which is composed of Geo. H. Keesee, D. E. Mountcastle, R. L. Gordon, C. L. Williams and H. G. Proctor. Any communications with reference to the convention should be addressed to Geo. H. Keesee, chairman, care of Merchants National Bank. Our class in banking is progressing nicely and we hope to turn out some certificate-holders before many months have passed.

The success of our first meeting, which was held on Nov. 12th, was largely reflected through the acceptance by the Board of Governors at a recent meeting of applications for membership from seventy-six men. This is a source of great satisfaction to us and it might be well at this time to commend to the

other chapters the methods which we are now using to interest all bank clerks in chapter work. A membership committee composed of Messrs. Clinton L. Williams, Geo. H. Keesee and C. V. Blackburn has secured the names of every bank clerk, officer and director in this city and has listed these names on cards divided into two sections—one section for the names of members and the other for names of non-members. Each member of this committee assumes responsibility for work among a given number of banks, who in turn enlist a number of additional men in each bank whose duty it is to supply information for the membership committee, distribute notices, solicit members and do general missionary work on behalf of the chapter. The number of men to do this work in each bank is not necessarily limited, but the committee of course will not ask the services of anyone other than those interested in the work.

At the same meeting of the board above referred to, it was decided to issue a monthly pamphlet or bulletin to be called the "Rich Chap," under the able supervision of Mr. Blackburn. This pamphlet will be conducted in a manner similar to that in vogue in some of the other chapters.

PHILADELPHIA CHAPTER

By THOMAS W. SMITH

A severe arraignment of present methods of tariff making especially as illustrated by the Payne-Aldrich law was made recently by Professor C. W. Veditz, of the George Washington University, former chief examiner of the United States tariff board, in an address on the "Proper Functions of a Tariff Commission," delivered before the Philadelphia Chapter of the American Institute of Banking. As the speaker was connected with the tariff board at Washington until its abolition last summer, his references to the work of the board were of peculiar significance.

He regretted that the tariff board had had "saddled upon it from the start the incubus of an absurd theory of tariff adjustment, namely the so-called comparative cost of production theory of protection, according to which the tariff should be so adjusted upon each article as to impose a duty equivalent to the difference between the domestic and the foreign cost of production, plus a reasonable profit for the American manufacturer." Despite its appearance of scientific accuracy, this cost of production theory, said the speaker, was ardent nonsense. No permanent branch of the government should have its work and investigations shaped in the light of a partisan and impossible economic theory; and in the last analysis it was this misfortune that probably led to the abolition of the tariff board, which certainly could have performed a multitude of useful services regardless of the dominant political situation.

"The Payne-Aldrich tariff," said Mr. Veditz, "was the result of nearly three years' deliberation on the part of the republican congress. There was less haste in its enactment than in that of most tariff laws. The democrats were too weak and too divided at that time to have any effect whatever upon shaping tariff legislation. The act was the best that under prevailing methods could have been obtained; but these methods are defective and inadequate, not to say vicious, beyond expression. The ways and means committee could not and did not obtain anything like an adequate knowledge of the factors involved. As in previous years, it had to rely upon 'ex parte,' conflicting, misleading and incomplete testimony. The committee deliberately was misled in a number of instances. The debate on the bill in the house was a curiosity in the history of fiscal legislation. There was no opportunity either for genuine argument or for amendment of crucial paragraphs.

"Whether we are to have a tariff for protection or a tariff for revenue, there ought to be devised some means for collecting information about industrial conditions at home and abroad and the effect of different tariff rates upon them. A tariff board could help revise the present obsolete classifications; it could translate the tariff into plain English; it should show the relation between duties and prices; it could help educate congress and the people as to industrial conditions here and in competing countries. What is needed in our tariff making, whether for revenue or protection, is more light—more adequate and reliable information. Now there is no way to get it, and congress and the people are at the mercy of schemers and corruptionists."

ADOPT FINGER PRINT SYSTEM

The finger print system of identification is proving quite popular among banks. It is in successful operation in banks in Chicago, Detroit, Philadelphia, Pittsburgh, Boston, Cincinnati and other cities.

WOMAN ELECTED BANK PRESIDENT

Miss Eva Coolidge has been elected president of the Coolidge-McClaine Bank of Silverton, Ore. Miss Coolidge is daughter of one of the founders of the bank.

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AGRICULTURAL CONFERENCE

Eugene Davenport, dean and director of the University of Illinois College of Agriculture and Agricultural Experiment Station, Urbana-Champaign, announces a two-weeks' session of the corn growers' and stockmen's convention at the University beginning the middle of January, at which time instruction is given in the general lines of agriculture to about 1,000 farmers from all over the state. Tuesday, January 21st, has been set aside as road day. On that day there will be an address by A. N. Johnson, state engineer, Springfield, and the Hon. Homer J. Tice of Green View, chairman of the committee on roads and bridges of the Illinois legislature; also by W. G. Edens, assistant secretary of the Central Trust Company of Illinois and president of the Illinois Highway Improvement Association.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

man is going ahead with prosperity and believes in his country just as he believes in himself.

OUR old friend, W. O. Jones, one time poet laureate of Kansas, but now one of the main stays of the big Park National, is said to have "come back" to his best form recently in verse creation.

HE was addressing his Sunday school class out in Flat Bush, and in a moralizing frame of mind, and this is as we get it from the "Billy" J. Burns dictaphone:

IF you have an old lead dime,
Pass it on.

Do not fuss and waste good time,
Pass it on.

You may feel real mean, it's true,
But in just a week or two

It will come right back to you,

Pass it on.

ISN'T it grand?

CASHIER.

CLOSED BANK PAYS DEPOSITS

Pottstown, Pa.—The Tri-county Banking Company last week paid the claims of all depositors, amounting to \$110,000. The bank had suspended business owing to failure to realize on investments. The depositors received the full amount of their deposits which had been withheld for months pending settlement of the bank's affairs.

NEW BOOKS

"A book for a gift if you wish to compliment a friend" is an old adage. Two of the latest Harper Bros. productions are likely to fill just such a demand.

"The Man in Lonely Land" by Kate Langley Bosher, who wrote "Mary Cary," is a tale of a lonely bachelor and his fine old dog, a charming Southern girl, two sweet and interesting children, the enthusiasm of Christmas, and the author's clever skill in story-telling, combine to make it a capital story. It is inspiring in its message, lively with wholesome fun, and imbued with warmth and color of high personal ideals. Price \$1.00 net.

"Charge It" is by Irving Bacheller, a very distinguished author. He wrote the Eben Holden tales, "Keeping up with Lizzie," etc. The fun and philosophy of "Keeping up with Lizzie" are even excelled in these new pages, which reveal the wonderfully interesting doings of some of the same people—our old friend Socrates Potter, Betsey Smead, the Warburtons—and some very enjoyable new people, too. Extravagance and love of display have reached their height when the story opens. In fact, young Harry Van Alstyne's slogan, "Charge it to Harry," is the keynote of the whole town. As events come before our view we see the servants—under the wise guidance of Socrates—administering unconsciously a lesson to their snobbish employers; we see the rise and final success of the Society of Useful Women; we see Marie Benson, "the most terrible talker in Pointview," attempting to reform Nancy Doolittle; the financial difficulties of the young men in their attempt to keep up with Harry—all these and scores of other humorously thoughtful scenes, and a delicate love story through them all.

This also is by the Harper Bros. and sells at \$1.00.

Stuart B. Stone is the compiler of "The Nonsensical U. S. A.," which title betrays its contents. While the book claims to be funny, and openly makes a bid for one's smiles, it is entitled to them because it really is funny. The author "hits off" all our cherished national

ideals, from baseball to millionaires, pays his compliments to Arctic explorers, aeroplanists, highballs, best sellers, and every other imaginable phase of American life. Like Trilby, it is funny without being vulgar. (New York: H. M. Caldwell Co.)

KANSAS CONVENTION

The 1913 convention of the Kansas Bankers Association will be held at Hutchinson, Tuesday and Wednesday, May 6th and 7th.

SUE BANK DIRECTORS

Suit for \$361,077 has been filed against nine directors of the First National of New Berlin, N. Y., which failed some time ago owing to defalcations of Frank T. Arnold, the cashier. It is alleged that the directors largely are responsible for the failure of the bank because, despite the extravagant mode of living of the cashier, they permitted him a free rein.

GROWTH OF OHIO BANKS

The 505 state banks and trust companies in Ohio show a net increase of approximately \$4,000,000 in aggregate resources in the past three and a half months. The condition of the banks is said by the superintendent of banks to be entirely satisfactory.

ELECTED BANK DIRECTORS

Lewis E. Pierson of Austin, Nichols & Co., formerly president of the Irving National of New York, and Horace Havemeyer have been elected directors of the North Side Bank of Brooklyn.

The Farmers State Bank, recently organized at Kirklin, Ind., has the following officers: Herbert F. Wills, president; C. M. Faussett, vice-president, and G. A. Miller, cashier.



THIS picture represents so far as a line drawing can, the magnificent new home of the Ayers National at Jacksonville, Ills. The bank is just about to move in from its temporary quarters and immediately thereafter the business of Dunlap, Russel & Co. will be taken over. Nothing has been left out that the Chicago architects could think up for the beauty, safety and comfort of the new plant. M. F. Dunlap will be the president and Andrew Russel, the ex-state treasurer, will be the active vice-president.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

ONE may anticipate some lively matter when "The Bank of Chicago," alias F. B. Carson, gets up before Judge K. M. Landis, "superintendent of such private banking" for this district.

NOW that bankers and political parties generally have "quit" the Aldrich bill, the solitary vote cast against the diversion at New Orleans by President W. R. Hamby of the Texas Bankers Association becomes a sort of a mile post.

OTHERS there were among the A. B. A. delegates who felt the same way, but Gen. Hamby was the only real insurgent.

THE proceedings book of the Washington Bankers Association convention at Tacoma-Olympia in June is out. Was delayed by the illness of Secretary Kauffman.

HIBERNIA BANK & TRUST, New Orleans, is sending out in pamphlet form the address of its Mr. Hecht on "Louisiana Drainage Bonds," delivered at the Investment Bankers convention in New York.

H. B. CRADDICK of Minneapolis, expert in bank advertising, is sending out a beautiful calendar.

ARE you keeping your eye on the State Bank & Trust Co., out at Sioux Falls? Had deposits in 1911 of \$1,402,101.32. Now has \$2,062,746.30. That is what the New York Central Terminal builders would call a "ramp," only the ascent is a long way over "eight feet in a hundred."

ALLERTON, GREENE & KING, Chicago, have a circular on "Is this the right time to buy bonds?" Ask for it if you can't quite decide.

C. A. PUGSLEY, president of the New York Bankers Association, has been mentioned for a cabinet position under Wilson. Secretary of the treasury is the particular job mentioned and one for which he is qualified in rare degree.

GROUP 7 of New York has indorsed him in a fine set of resolutions. He is the head of the committee on finance for the democratic state central committee and has given valuable services in congress.

W. M. H. MANLY, Birmingham, was one of those who helped to get the new Alabama banking law passed. He rejoices now that it has been upheld by the state supreme court.

SUPPOSE J. PIERPONT were interested in making out a case against the money trust? Of course it couldn't be, but just suppose. Well, wouldn't you like to read the testimony?

MINNESOTA bankers think they've landed another winner in their new secretary, George H. Richards. What luck!

PRIVATE bankers of Ohio will make a fight before the state legislature to maintain their institutions distinct from the national and state banks. Plans which they have completed as a result of the adoption of the constitutional amendment requiring state or national regulation of all financial institutions do not contemplate their coming in under either class of supervision as now known.

THE private bankers will seek a law providing for sweeping safeguards against the operation of financial institutions under the name of "banks," but will seek to have their class of concerns continued outside the limitations placed by either the present national or state banking laws.

JANUARY 1st there will be 240 Ohio private banks to report under the new constitution. The state holds that no additional act is required to put the new constitution into effect.

THE "Big Five" of Illinois in A. B. A. matters are out in a warming-up letter for new members. A pamphlet goes along entitled, "What Every Bank Should Have."

NELSON H. GREENE of Moline, W. G. Edens and W. T. Fenton of Chicago, E. E. Crabtree of Jacksonville, members by election, and J. Fletcher Farrell, member ex-officio of the Executive Council, join in signing the letter.

IF everyone helps, enough new members of the A. B. A. should be secured to get us another man on the Big Council from Illinois. F. A. Crandall, member as chairman of the Executive Committee of the A. I. B., also is a member and will help.

C RANDALL for his short term of one year will be found just as anxious as the others to stick up for Illinois and he is a long way from being a green hand at convention ethics.

TRULY it is difficult to think a banker real smart who keeps his bank out of the association. Col. Dinwiddie proved by actual showing a direct money benefit of over thirty dollars for a five dollar membership in the Iowa association.

PART of this came from reduced cost of cleaning time locks, part from bonds and insurance and from other sources. Col. Farnsworth has done quite as well for the A. B. A., but the greatest benefit is indirect and intangible, but just as real as if you could load it on a wheelbarrow.

OUR "Big Five" as above ask the bankers addressed to "not think about it" but to "take it on faith" and "sign the enclosed blank." We hope it works out as it deserves.

PRYOR, OKLA., has a new bank, "The American State." Even if the bank calls its reserve its "reverse," the figures are O. K. and sound. The capital is \$25,000 and the cash on hand \$53,000. A. J. Langer is president and J. C. Martin, cashier.

THE good assets of the First State, which failed, were taken over by the new bank.

THOMAS GAMMON, JR., treasurer of the First Trust Mortgage Guarantee Trust, Philadelphia, is the new president of the Bank Clerk's Beneficial Association of that city.

C. H. FOX, who travels out for the Chicago Savings Bank and Trust Company is being groomed for the race for the treasurer-ship of the I. B. A., to succeed Mr. Hiser.

MR. FOX is young, handsome and popular, goes to all the group meetings and state conventions and has earned the friendship and confidence of the bankers of the state. Lend a hand!

J. E. BUCKINGHAM, the new president of the Kentucky Bankers, is co-operating with that most efficient of secretaries—Arch B. Davis—to make it 100 per cent in membership this year. It's a strong team.

IT has been said that the strongest argument for peace up to date is Mary Johnston's "Cease Firing." The horror, the desolation of our Civil War so vividly pictured, is a greater incentive to arbitration than the most carefully planned arguments ever can be.

SECRETARY J. E. SHEPARD of the Utah Bankers is sending out his proceedings book covering the July 12th-13th convention. Mr. Shepard is cashier of the Cache Valley Banking Company at Logan.

"PLEASE send draft for dues," was the solicitous Christmas message of Secretary W. B. Hughes to all Nebraska bankers.

FORGERS, swindlers and safe blowers continue to prevent Brother Hughes from leading the simple life he would enjoy so much.

THOSE of you who are fortunate enough to get a copy of the Washington proceedings book will have a rare treat. The Tacoma convention was a record breaker and the book, as everything is which comes from P. C. Kauffman, is complete.

IF you want to see a real nifty investment circular for "January funds," write to D. Arthur Bowman & Co., St. Louis.

JOLIET FIRST NATIONAL employees are in on a profit sharing plan which pays Christmas dividends. The high man got \$170 this year and low gun drew \$50.

THE plan is to deposit ten per cent of salaries for investment. This year the fund earned 48 per cent. Employees who wish to invest their entire savings are guaranteed 6 per cent.

FOR the corn show held by the First this year, one of President Woodruff's hobbies, the prizes went to William Brookman, Troy; William M. Greene, Lockport, and H. W. Palmer, Jackson, in the order named. The "show" will be booked for a return engagement in 1913.

VERMONT will hold its state convention February 21st at Rutland. This probably opens the 1913 season? About 80 per cent of all banks in the state are members.

VERMONT is getting back on the map in the bankers' atlas. Has a member on the Big Council. He is H. L. Ward of Burlington, quite an active spirit. The association had great prosperity last year under the presidency of F. H. Farrington of Brandon.

WE are going to print a new picture of Frank D. Brundage one of these days. Are you all ready? He's been "reducing," same as Mary Garden and the Fair Lillian, but still keeps his favorite brand of travelers' checks in the lead.

THE best of schemes will peter out,
The best of plans may fail;
But in the bank, there is no doubt
Hard work will get the kale.

ALFRED H. CURTIS, with Pell & Co., New York, has remembered his banking friends with a useful diary and note book of vest pocket size. Always did do the neatest things in the very handsomest way.

THE literacy test for immigrants isn't so important, we think, as their place of landing. They should be sent to smaller ports where labor is in demand and conditions are healthful. In the large cities, notably New York, they are a drug on the market and chiefly fill the jails, the asylums and the poor houses. Send them where they are needed.

I THINK so soon as men see this is business and not amusement, an enthusiasm will arise by which it will be revealed that honor and integrity of purpose breed more prosperity than any other things in the world.—Woodrow Wilson.

"STOP, look, listen!" doesn't apply only to crossing State Street mid trucks and autos. Let it temper your January One resolutions.

NO wise guy believes that the "money trust," "free trade" or "Aldrich plan" are more than just so many political scarecrows to frighten the timid. The American business
(Continued on page 30)

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Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

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Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Surplus and Profits 4,900,000
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